



# ENGCOBO LOCAL MUNICIPALITY: INTEGRATED DEVELOPMENT PLAN FOR 2014-2015



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## **GLOSSARY OF TERMS**

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
BDS	Business Development Services
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CHARTO	Chris Hani Regional Tourism Organisation
CHDM	Chris Hani District Municipality
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs
DLG&TA	Department of Local Government and Traditional Affairs
DM	District Municipality
DME	Department of Mineral and Energy
DoRDAR	Department of Rural Development and Agrarian Reform
DoE	Department of Education
DoH	Department of Health

DH	Department of Human Settlements
DoSD	Department of Social Development
DoRT	Department of Roads and Transport
COGTA	Department of Corporative Government and Traditional Affairs
DPW	Department of Public Works
DSAC	Department of Sport, Arts & Culture
DWA	Department of Water Affairs
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Faith Basic Services
ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IT	Information Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan

LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act
MSIG	Municipal Support & Institutional Grant
MSyA	Municipal Systems Act, 2000
MStA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non-Governmental Organizations
NSS	National Sanitation Strategy
PATA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RDP	Reconstruction and Development Programme
REDs	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SOE	State Owned Enterprises
SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body

STDs	Sexual Transmitted Diseases
TB	Tuberculosis
TLC	Transitional Local Council
TRC	Transitional Rural Council
USAID	United States Agency for International Development
UYF	Umsobomvu Youth Fund
VAT	Value Added Tax
VIP	Ventilated Improved Pit (sanitation facility)
WSDP	Water Services Development Plan

## EXECUTIVE SUMMARY

### Legislated Framework and Policy Framework

The development of the simplified IDP framework is based on various legislative and policy mandates for developmental local government. The Constitution of the Republic of South Africa mandates local government to:

Provide democratic and accountable government for local government; ensure the provision of services to communities in a sustainable manner; promote social and economic development; promote a safe and healthy environment and encourage the involvement of communities and community organizations in the matters of local government.

Informed by the broad principles of the Constitution, the White Paper on Local Government introduced the notion of developmental local government. Developmental local government is defined as local government that is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives.

Considering the Constitutional mandate as well as the provisions of the White Paper, it can be summarized that the main function of local government is to provide **goods and services** that meets the **social, economic and material needs of the people**. Principles that underpin the manner in which these goods and services are provided should be **democratic, accountable, sustainable and public participative**.

In order to play this critical role, the municipalities are mandated to undertake a process of integrated development planning. The main objective of integrated development planning is to forge greater and better coordination and integration of development initiatives by the various development agencies within each local space.

The principal legislation in so far as the development of IDPs is concerned is the Municipal Systems Act 32 of 2000; section 25 of the act supra mandates each municipal council to adopt a single, inclusive and strategic plan for the development of the municipality. As a strategic plan of the municipality, the IDP should therefore provide a clear road map for the municipality that would take it from the current situation to its desired state in five years.

### Introduction

The development of Integrated Development Plan (IDP) is a legislative requirement as entailed in terms of Section 25 of the Municipal Systems Act (MSA) Act (No 32) of 2000 and Engcobo Local Municipality is obliging to this piece of legislation. Reviewing of the IDP is also a legislative requirement in terms of Section 34 of Municipal System Act of 2000 (Act 32 of 2000).



An IDP is one of the key tools for Local Government to cope with its new developmental role. Furthermore it seeks to facilitate strategic decisions on issues of Municipal budgets for the following Key Performance Areas;

- Basic Service Delivery-(infrastructure and Community Services);
- Local Economic Development;
- Municipal Transformation and Organizational Development;
- Municipal Financial Viability and Management.

The Municipal Systems Act which provides a framework for the preparation of IDP's recommends that once in place, each IDP must be reviewed annually to re-assess and re-evaluate Municipality's development priorities and challenges and to accommodate new developments in local government processes. Therefore, this particular document fulfils that review mandate for the ensuing financial year and beyond.

This IDP could be described as a single, inclusive and strategic plan for the development of the municipality, which:

- Links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

The Reviewed Integrated Development Plan (IDP) consists of the following core components:

- The municipality's vision for long term development;
- An assessment of the existing level of development in the municipality (situational analysis) and Socio-Economic Analysis; A Spatial Development Framework (SDF) and basic guidelines for a land use management system;
- The Council's development priorities and objectives;
- The Council's development strategies, which must be aligned with national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- Projects and Programmes per Sector as prioritized;
- A Financial Plan with a budget projection for three years;
- Public Involvement.

## **Mayor's Foreword:**



It's again an honor and a privilege for me as the Mayor of Engcobo Local Municipality to introduce this annual review of our Integrated Development Plan for 2014/2015 financial year as a product of public participation of all stakeholders and community members of Engcobo.

Developments and service delivery in the previous financial years have been taken into account and used as building blocks towards addressing the backlogs. No doubt much still needs to be done to alleviate poverty, to create an environment that is conducive to economic growth and to bring meaning and dignity to the lives of the diverse communities of Engcobo.

I must say that this process could not be where it is, if it was not for the active and maximum participation by communities, Ward Committees, Ward Councilors, Community Development Workers, the Office of the Speaker, Chief whip, councilors in general and IDP engagement forums that were held in setting the direction and pace of our development programs and strategies.

In this regard, our communities must be commended for heeding the call to come forward and take their rightful place and play a momentous role in becoming authors of their own development, in making direct input into the Integrated Development Plan of the municipality.

The IDP 2014/2015 shall set up a significant transformation agenda and forward thinking for Engcobo Local Municipality. In pursuit of an effective and efficient service delivery, the

municipality undertakes to embark on a process of organizational re-alignment in order to create a conducive and a fulfilling environment for all involved to contribute and work.

We have a responsibility as far as ensuring that there is an extensive public participation by our community, it is our responsibility to respond to the needs of our people. I would like to take this opportunity once more in ensuring that our municipality has a clear and a credible IDP which reflects the needs and aspirations of our people

I thank you!

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**Councilor L. Jiyose | Mayor**

## Foreword from the Municipal Manager:



Engcobo Local Municipality is required by Section 34 of Municipal Systems Act of 2000 (Act 32 of 2000) to undertake a stakeholder driven process to review its IDP annually. The IDP under review was adopted by Council on May 2014/2015 financial year and all the preceding IDP's were reviewed annually in terms of the Act.

The existing IDP is reviewed in order to set-up a service delivery and growth path for the next financial Year (2014-2015) as instructed by the Council. In keeping up with Section 34 of the Municipal Systems Act, the IDP will be reviewed annually in order to carry out continuous assessment and to give meaning and substance to our service delivery ambitions.

This document is the 3rd review of the current IDP 2012/2017. It should be noted that the IDP is the superseding policy document for planning for the municipality, it is essential that the IDP is based on the real needs of the community which Engcobo Local Municipality is serving.

Therefore the fundamental principle and the overarching philosophy is that the IDP has to keep track of the changing priorities of the community. An extensive public participation process which involved all the stakeholders had been embarked on to determine those priority needs which are truly reflected within this document. The priority needs of the community have been used as a basis to inform the Municipal Budget Process for the 2014/2015 financial year.

I trust that this IDP Review will prove to be one more meaningful step towards paving a way that would enable Engcobo Local Municipality, a place where all of us can live fulfilling lives and achieve our full human potential within our existing capabilities.

Yours Faithfully,

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**S. Mahlasela | Municipal Manager**

## CHAPTER 1: SITUATIONAL ANALYSIS (GEOGRAPHIC, DEMOGRAPHIC AND SOCIO-ECONOMIC ANALYSIS)

### 1.1. BACKGROUND

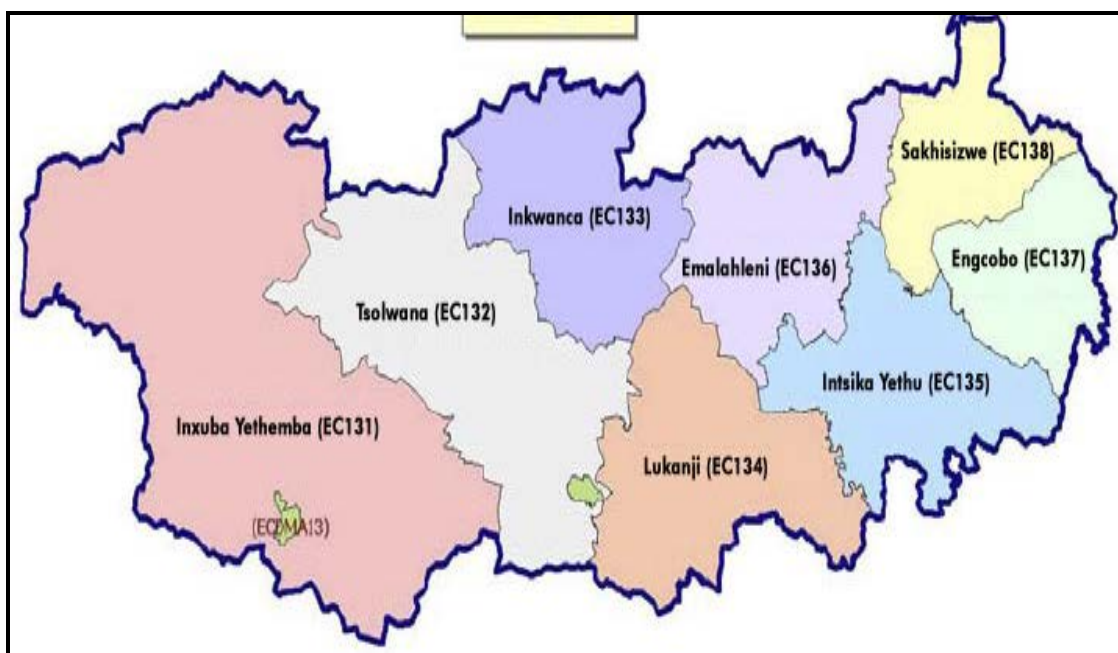
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Engcobo Municipality is located in the Eastern Cape Province, the second largest province in terms of land coverage, on the south eastern seaboard of South Africa.

The Eastern Cape Province has Metros, District Municipalities and local municipalities covering town and surrounding rural areas with Engcobo falling within the Chris Hani District Municipality.

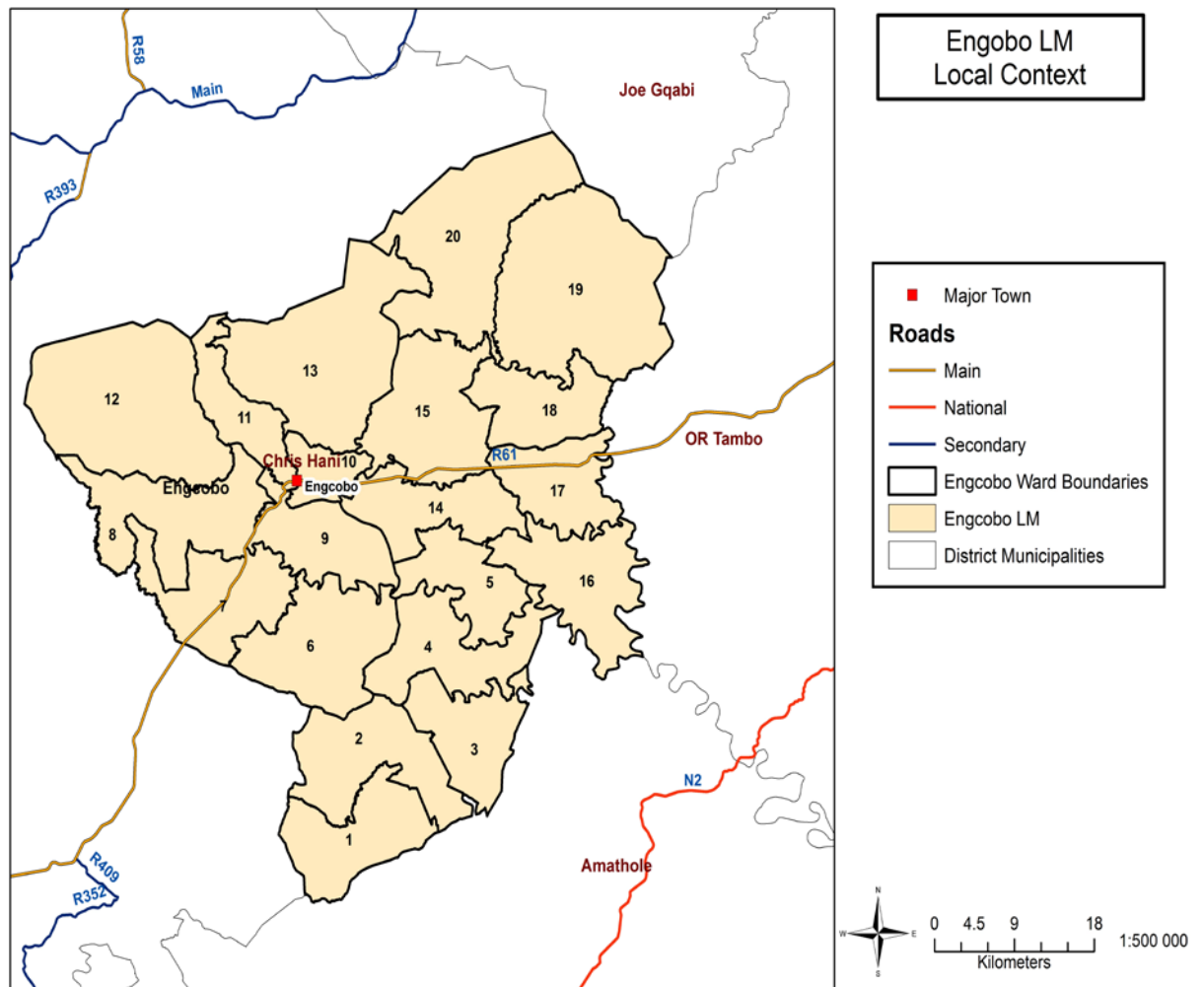
The Chris Hani District Municipality is located in the north-eastern sector of the Eastern Cape Province. Neighbouring district municipalities within the Eastern Cape include the Joe Gqabi DM (to the North), Cacadu DM (to the south west), Amathole DM (to the south east), and OR Tambo (to the east) and Alfred Ndzo DM (to the North West)

The following graphic illustrates a Map of the local municipalities that make up the Chris Hani District Municipality;



The local municipalities are made up of the following urban nodes;

<b>CHDM's Local Municipalities.</b>		
<b>#</b>	<b>Name of Municipality</b>	<b>Urban Nodes</b>
1	<b>Intsika Yethu LM</b>	Cofimvaba and Tsomo
2	<b>Lukhanji LM</b>	Queenstown and Whittlesea
3	<b>Engcobo LM</b>	Engcobo
4	<b>Sakhisizwe LM</b>	Cala and Elliot
5	<b>Emalahleni LM</b>	Lady Frere, Dordrecht and Indwe
6	<b>Tsolwana LM</b>	Tarkastad and Hofmeyer
7	<b>Inxuba Yethemba LM</b>	Cradock and Middleburg
8	<b>Inkwanca Local Municipality</b>	Molteno and Sterkstroom



Engcobo consists of 20 wards, extends over 2258.78 KM<sup>2</sup> and has 40 councillors and 7 traditional leaders. The new leadership of Engcobo Municipality is acutely aware of the challenges confronting the municipality and has identified the provision of basic services and facilitation of socio-economic development of the area as key priorities supported by capable and modern infrastructure for social, economic and institutional development.

Engcobo faces high levels of poverty, unemployment, illiteracy and infrastructure backlogs, including roads, water, sanitation, electricity and housing. Other challenges are identified as crime, HIV and TB prevalence, poor integration and cooperation across civic, private and public bodies. The local financial sector has been on the decline over the last few years.

The population is overwhelmingly rural and most land is communally owned and fertile, yet only a small portion is fully utilised. Forestry (especially pine), agriculture and tourism (agri-tourism



and cultural tourism, including arts and crafts) are said to be key for the area's economic stimulation.

Other identified strengths and opportunities include:

- ☐ Local resources (natural, human and information);
- ☐ Potential for new businesses and community private-public partnership;
- ☐ Availability of local technical expertise;
- ☐ Non-political and resourced NGOs and CBOs that provide aftercare; and
- ☐ A taxi industry and route between Umtata and Queenstown.

The following is a list of wards and villages;

**1) Ward 1 – Ward 4.**

Engcobo LM: Ward and Village Delineation			
Ward 1	Ward 2	Ward 3	Ward 4
Mandlaneni	Jingija	Kwa Hala	Sihlabeni
Toleni	Ngwaneni	Gotyibeni	Mtini
KwaSibonda	Komkhulu	Mazizini	eLalini
Jojweni	KuNgwevana	Qanguleni	Maloseni
Ndaba	Mmangweni	Qengqeleka	Endulini
Qabophezulu	Skolweni	Bekileni	Esikolwni
Manqoyi	Ntlakwevenkile	kwa Ndlangisa	KuNgcelelo
Bofolo	Ntlakwesikolo	Tora	Ntlakwevenkile
KuNgcataru	Maqamkazini	Mdeni	Ncityana
KwaTshatshu	Lubiza	Sokweba	eChibini
KwaNdungwane	Sigubudwini	Elalini	Ntabeni
Ngquthurha	eLalini		Singeni
Ematyabomvu	eNtlekiseni		Nqaphantsi
Nabileyo	Engasa		Ngqubusini
Ngxamangele	Engcotyeni		Mtshayelweni
Kunkani	eNtlakwesikolo		Chetyana
Manzini	eSikolweni		
Emamfeneni			
KwaMiya			

## 2) Ward 5 – Ward 8.

Engcobo LM: Ward and Village Delineation			
Ward 5	Ward 6	Ward 7	Ward 8
Ngcacu	Komkhulu	Gibeni	Tshatshu
Tywina	Nyandeni	Fama	eJojweni
Cwane	Ntlambo	Bodini	Ndlela
Kusigidi	KuGxwalibomvu	Tshatshatsha	Qithi
KuNqezantsi	Dala	kwaSigubudo	kwaQithi
KwaMdaka	eMangweni	kwaDlomo	Mazangweni
Ncango	eSilevini	Drayini	Macubeni
Lower Xuka	Kumageza	Nkalweni	Sigangeni
Upper Xuka	Mpindweni	Ntwashini	Embo
Upper Ngqokotho	Kunene	kwaGxubane	Lucwecwe
Nqutwaneni	Nkaleni	Upper Beyele	Nongadlela
KwaSitelo	eNtwashini	eSgangani	eQolweni
Sidakeni	eKunene	Mafusini	Sgingqini
KwaNtondo	Kwelesha	KwaBhadi	Kunene
eQolweni	Eziqadini	Ntlakwendlela	Mtebele
Mbilini	eTalen	Ndalasi	Maxesibeni
Komkhulu	eMmangweni	Mandaweni	Skobeni
KuHleke	Ngqayi	Ntshingeni	Jojweni
KuMalangazana	Goso	Nyongweni	Bojane
	Ngxebe	Lundini	Madladleni
	MaNdlaneni	Tshobane	Drayini
	kwaGandu	Magotsini	Gwetyubeni
	Sgoboti	Lower Beyele	Sigodlweni
	eMamfeneni	Nkonkobe	
	Jojweni		
	eHukwini		

## 3) Ward 9 – Ward 12.

Engcobo LM: Ward and Village Delianation			
Ward 9	Ward 10	Ward 11	Ward 12
Miyeni	eNgcobo	Mkhenceni	Yakula
Mdeni	Zola	Madwaleni	Qolweni
Tsazo	Kole	Ngxingweni	KwaBinca
Upper Komkhulu	eDrayini	Machibini	Mthumeni
Luxeni	Gxojeni	Chefane	Nkwenkwezi

Sigangeni	Kalinyanga		Maqwathini
KwaBlaai	Mxesibe		Magqaqaleni
Mtshabela	All Saints Mission		Trust
Sikantini	Sdadeni		Mgwalana
Mgwali	Extention 5		Makhumeni
Manzana	Extention 6		Maxesibeni
Nduka	Extention 9		kuPahla
Enduku	Nkalweni		Gqutyini
Upper Nduku			Phesheya
Lower Nduku			Voyizana
Goboti			Mafusini
			Mkhanzi
			eMahlubini
			Mntuntloni
			Gotyibeni
			Mqobo
			Elithuthu
			Ziyekeni
			kuGxwalibomvu

#### 4) Ward 13 – Ward 16.

Engcobo LM: Ward and Village Delianation			
Ward 13	Ward 14	Ward 15	Ward 16
Bulawayo	Efameni	Mdeni	Kwanqinwayo
Rantswini	KwaGcina	Ngxangxasi	Tafeni
Ematyholwni	Ndungunyeni	Sigidi	Mhlophekazi
Esingeni	Sixholosi	Qolweni	Mampondweni
Zwelitsha	Mateni	KuNquduvane	Mangxingweni
Kuntaka	Mbombombo	Sigangeni	Mkunjana
eGxojeni	Ndungunyeni	Ntwashini	KuMandebe
eSkhungwini	Lower Ndungunyeni	Mangqolweni	Manuneni
kuZilithole	KuKanyi	Gulandoda	Luxini
eMkhalweni	Lower Nzolo	Msintsana	Mpindweni
Zigandleni	Upper Nzolo	Mampingeni	Mqwbedu
Xokonxa	Ntlelelengwane	KuNyoka	kwaMhaga
Mthwazi	Xuka	Makhumeni	Mbokothwana
kuGilandoda	Ngxabane	Nkobole	Mandlaneni
Lubisi	Lower Mangxongweni	KwaNdobe	Ngqurhu
Ngquthurha	Ntwashini	Ntywenka	Ntseleni

Equthubeni	Luhewini	Caca	Clarkebury
Engqe	Kwavetyu	Mrhotshozweni	Tyeni
Lower Tsalaba	Esingeni	Madwaleni	
Komkhulu	Mhlontlo	Matyeni	
KwaBlangwe	Entabeni	Engxogi	
Gulandoda	Emafusini	KuNtaka	
Kwamqokoqo	Emadizeni	eChibini	
Eluqoloweni	eXuka	Kwanzolo	
Mayirheni	Mantlaneni	Kwantaka	
	eMantlwani	Rasmeni	
	KwaXoxo	Lalini	

#### 5) Ward 17 – Ward 20.

Engcobo LM: Ward and Village Delianation			
Ward 17	Ward 18	Ward 19	Ward 20
Mdeni	Mazimeni	Smit	Nqancule
Mpandeni	Emamvulaneni	Madwaleni	Sinqumeni
Estishini	Komkhulu	Mdeni	Eluxeni
Tembisa	Amamvala	Sigqumeni	Sigangeni
Lower Manyisane	KwaNzolo	Mncwasi	eLixeni
Nkondlo, Ngxabane	Amanzolo	Daligqili	Sidikidini
Kumanyisane	kwaYawa	Mboleni	Lixeni
Kumanzikanyi	KuNtlanzi	Sidindi	Matyeni
Macwerheni	Lower Gqobonco	Mkonkotha	Taleni
Mangxongweni	Tshapile	Nqala	KuManzimdaka
Kungcebengwana	KwaFane	Jalisa	Tywaba
Mamfengwini	Mthini	Bula	Nkanga
KwaNdim, Gubenxa	Ntibaneni	Xhakonxa	Ngqayi
Ngwangwane, Qolo	Xhibeni	Ngwemnyama	Hlopekazi
Maqamkazen	kwaZwelinzima	Lixeni	Sitshini
kwaMaya, Ntsinana	Sandile	KoMkhulu	Didiwayo
KuNgxabane	KwaKane	Gqaka	Ntsuba
Cwane, Mntukuma		Mahlahlane	Sigubudwini
Mission, Gcina, Didi		Bumbane	Sitishini
Mdaca, Mandlaneni		Ngaphezulu	Ludadeni
Upper Manyisane		Lwandlana	eMachibini
Ntibaneni, Xhebeni		Kuchibi	KuHlaba
Ngxabane, Ngcongci		Lancede	kwaMngqondo
Mangqeleni, Maya		Kungubo	Elabafazi
Mpindweni		Ndlunkulu	Caba

Taleni, Mvala		Zuburha	KuMqhayi
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## Population Composition.

### Population Size, Growth and Density

Engcobo Local Municipality Population	
Population size (2011)	155 513
Population growth (2001-2011)	-0.42%
Population Density per square km	63.6
Household Density per square km	13.3
Number of Households	30 135
Average Household size	4.2

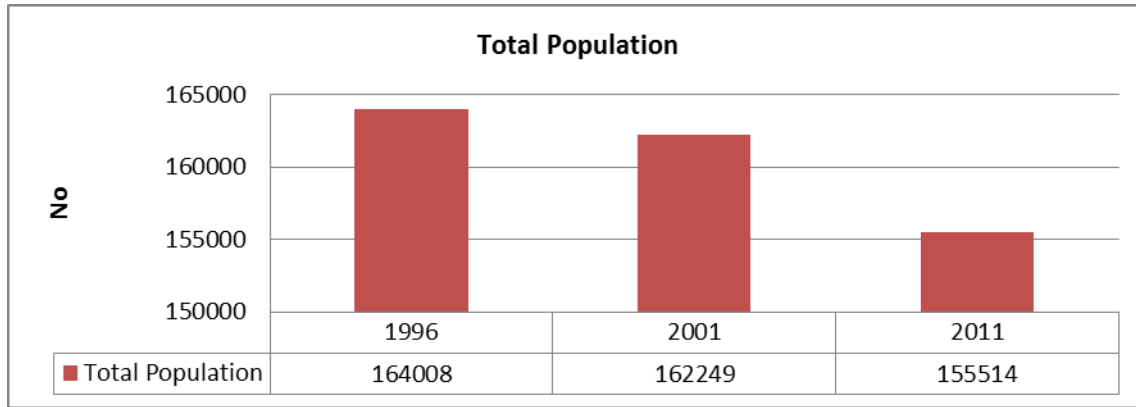
Engcobo population predominantly rural (96.1%) is home to a total population of approximately 155 513 people (recently released Statssa 2011 Census data). The population relatively decline when compared to previous years, which can either support the notion of rural-urban migration or can be explained by the re-demarcation of municipal boundaries. The table below summaries the population profile for Engcobo.

The general profile of the population by age illustrated in the figure left shows that Engcobo has a youthful population indicating the need to create more economic opportunities to create more jobs.

Age group	2007	2008	2009	2010	2011
0 to 4	20004	19500	18862	18033	17331
5 to 9	20257	19834	19886	20139	20259
10 to 14	23259	22082	21024	20121	19115
15 to 19	19480	18862	18623	18458	18244
20 to 24	11230	11228	11407	11629	11822
25 to 29	7886	8099	8425	8731	9050
30 to 34	7243	7490	7717	8008	8257
35 to 39	4515	4584	4711	4824	4947
40 to 44	4123	3951	3929	3997	4004
45 to 49	4436	4257	4099	3960	3808
50 to 54	5112	5294	5395	5415	5489
55 to 59	3730	3699	3735	3801	3847
60 to 64	3918	3865	3883	3928	3955
65 to 69	4133	4067	3957	3859	3753
70 to 74	2925	3042	3127	3158	3224
75 to 79	1771	1830	1908	2017	2105
80+	940	973	1019	1071	1119
Total	144962	142657	141707	141149	140329

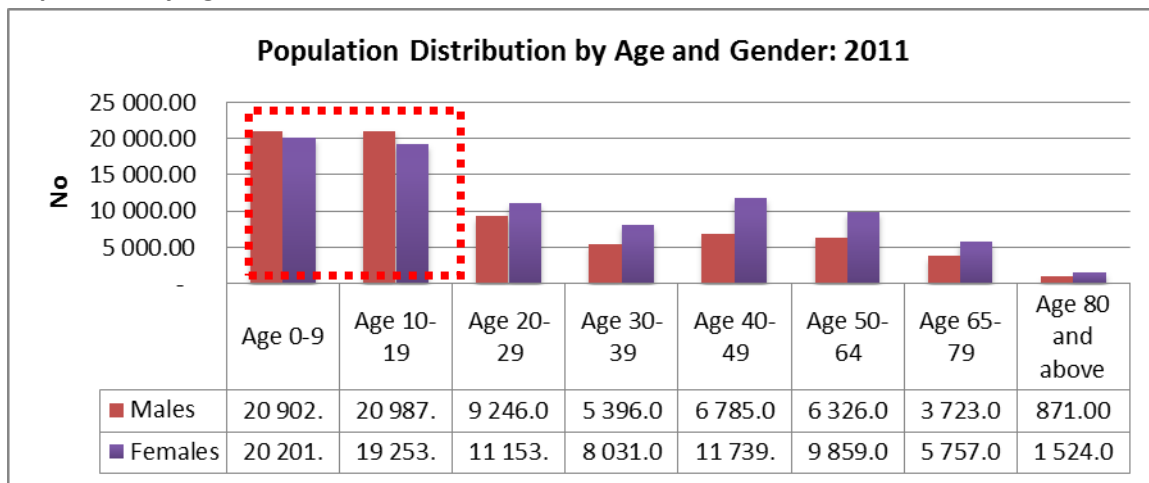
**Table B1: The age group cohorts of the Engcobo municipal population (Source: Statssa Census 2011 and 2001)**

### Municipal Population.



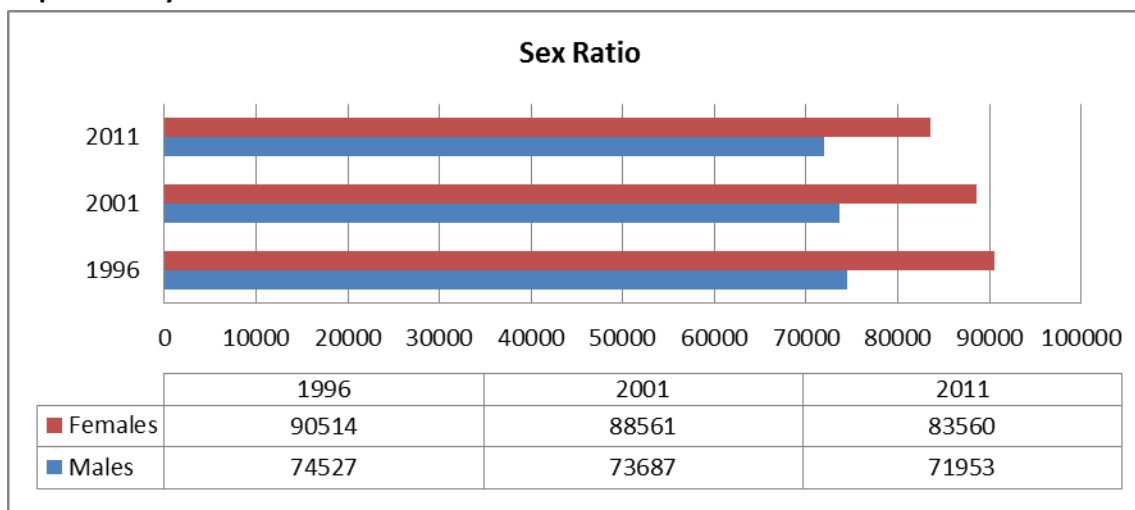
According to information supplied by Statistics SA from 2011 Population Census, Engcobo LM had a population of about 155,514 in 2011. Whilst the population has decreased by an average of 2% from 1996 to 2001, it is currently the second largest population in CHDM following Lukhanji LM. The population decline can be attributed to either a high death rate or low birth rate due effective family planning and other related variable for both variables. The other reason could be economic emigration to more affluent and developing economies in the country.

### Population by Age and Gender.



The CHDM's population is predominantly children and teenagers from the age of 10 to 19 years old. The distribution between males and females is almost even with a marginal difference of less than 1% between both genders.

### Population by Gender.



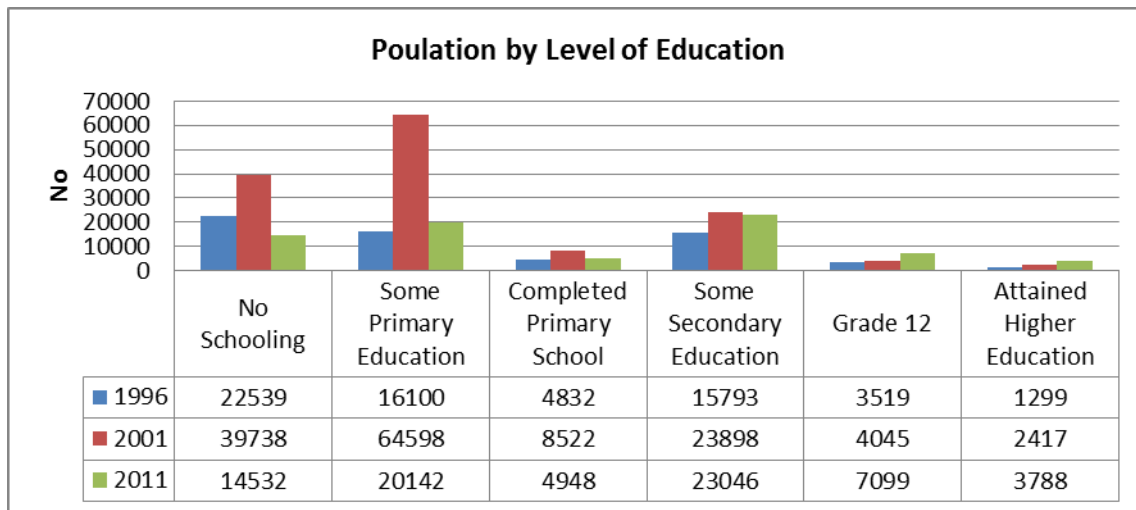
The population is predominantly female dominated at 56% with males constituting 44% of the population. There is a universal consensus that women have a longer life expectancy than males, therefore given the current male to female ratio, various programmes and campaigns need to be put in place by Engcobo LM in order to empower women in the short to medium term. The other fact is in society at large.

The situation as it stands suggests that there are more women-headed-households than the contrary owing to various human circumstances, thus the argument of women empowerment need to be started and intensified. Such empowerment, when properly conceived and implemented will further curb population growth, which is perceived as an outcome of women's lack of economic opportunities.

If women's health, education and economic well-being are improved along with their role and status in the community, the empowerment of women will inevitably lead to smaller families and lower or manageable population growth.

### Population by Level of Education.

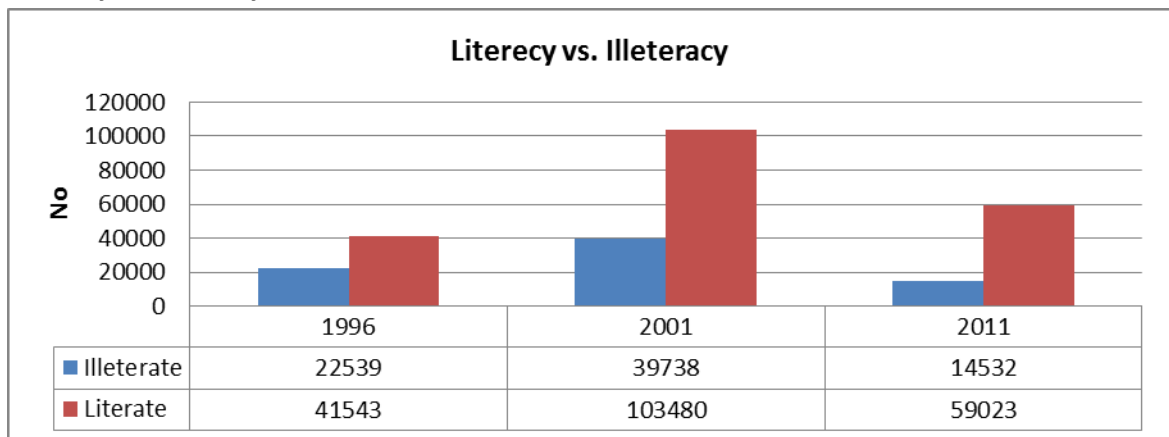
The number of people with less than Grade 12 has decreased by considerable margin from 1996 to 2011.



The decrease in people with no schooling can be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government whilst the increase in school leavers with tertiary education can be attributed to poor grades and lack of means to finance tertiary education.

Grade 12 pass rates have seen a gradual increase Year-on-Year from 1996 to 2011 by a very small margin and this is far from the acceptable levels.

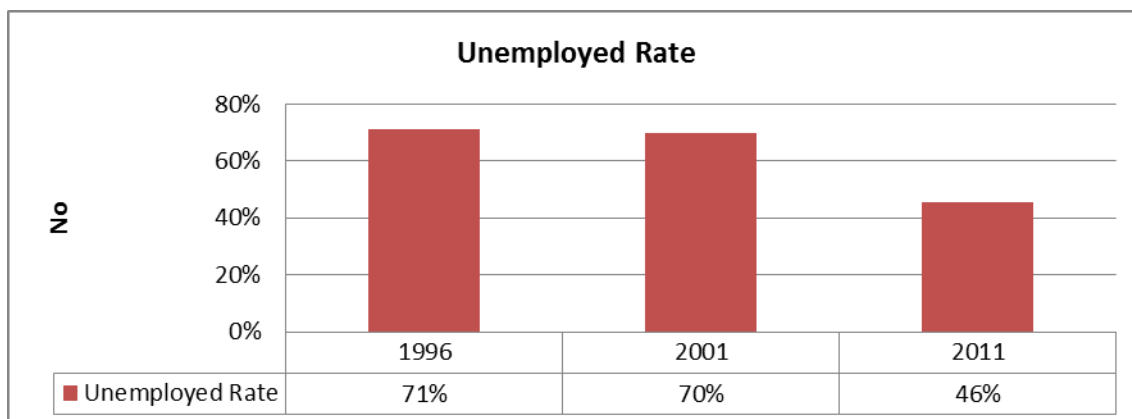
#### Literacy vs. Illiteracy.



Literacy rate is fairly high amongst citizens whilst it has experienced decline between 2001 and 2011. The decrease in literacy rate will lead to lack of or poor comprehension of socio-economic variables.

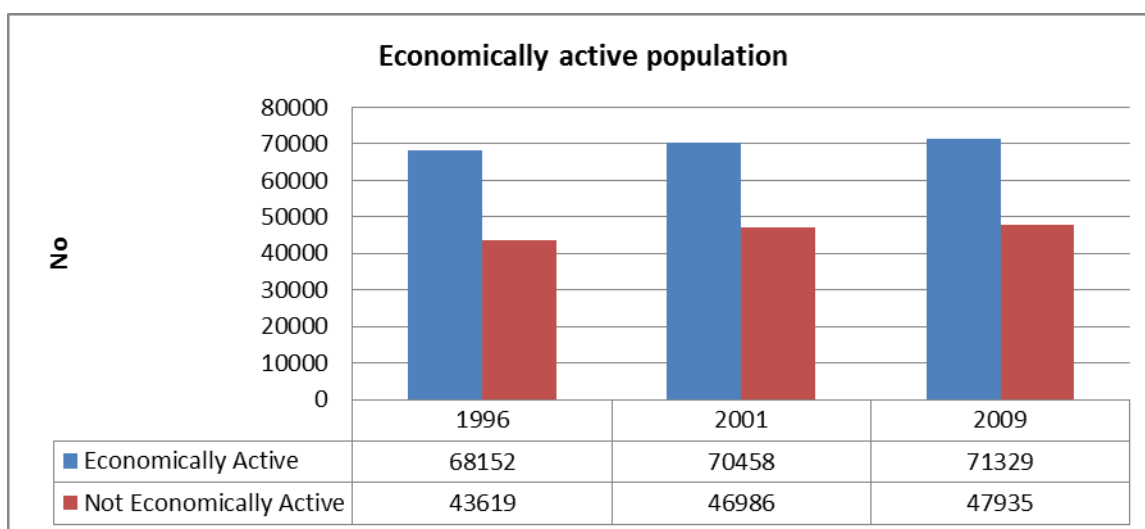


## Unemployment Rate



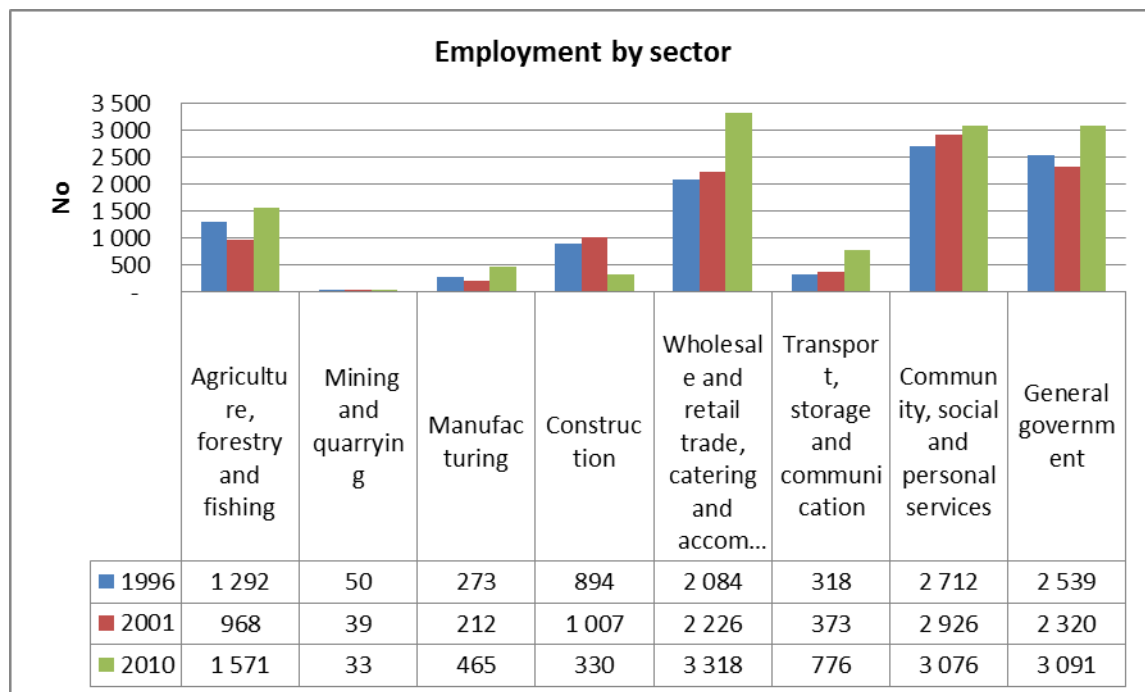
The ELM's economy felt the full impact of a negative economic growth on general employment, which is evident from the above graph. About 70% of the Engcobo population was unemployed in 2001 and that has decreased by 24% to 46% in 2011.

## Economically Active Population.



40% of the ELM population is not economically active and therefore depends on the 60% of the economically active population. Thus every working person at Engcobo supports a minimum of 4 people per household.

## Employment by Sector

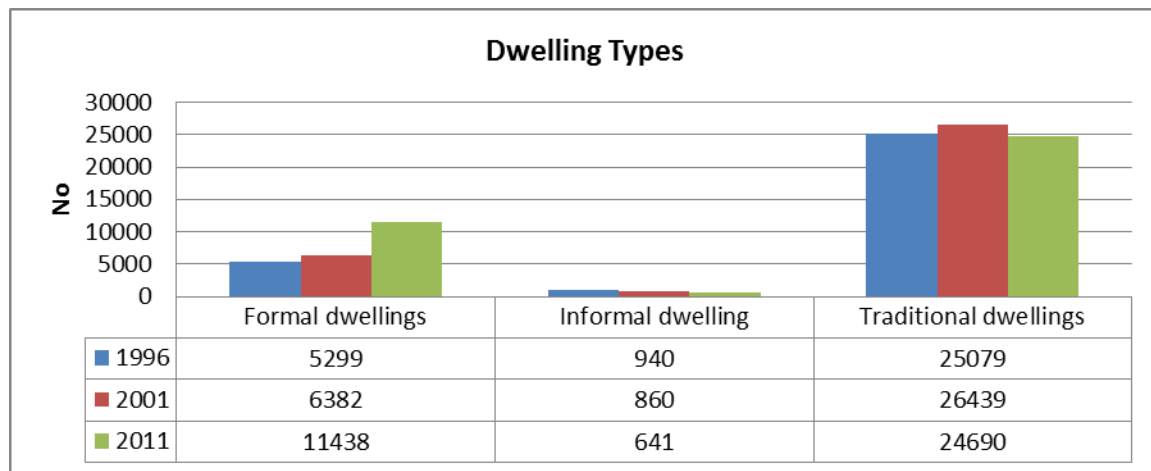


Despite it being generally a low wage sector, the trade sector shows a high labour absorption compared to the transport, business services and finance sector. This sector was followed by community, social and personal services as well as the general government sectors which accounted for more than 60% of the available jobs.

The agricultural sector has created just over 1000 jobs in 2010 followed by manufacturing, with just over 500 jobs. The mining and quarrying has performed poorly over the years and has an insignificant contribution to ELM's economy. The situation suggests that Engcobo produces very little or no commodities to support its retail sector and imports its goods from outside. The economic structure is not sustainable and depends on government to create jobs.

## Dwelling Types.

As the municipality is rural in nature, it stands to reason that almost 80% of dwellings are traditional dwellings which are found in the most rural parts of the municipality.

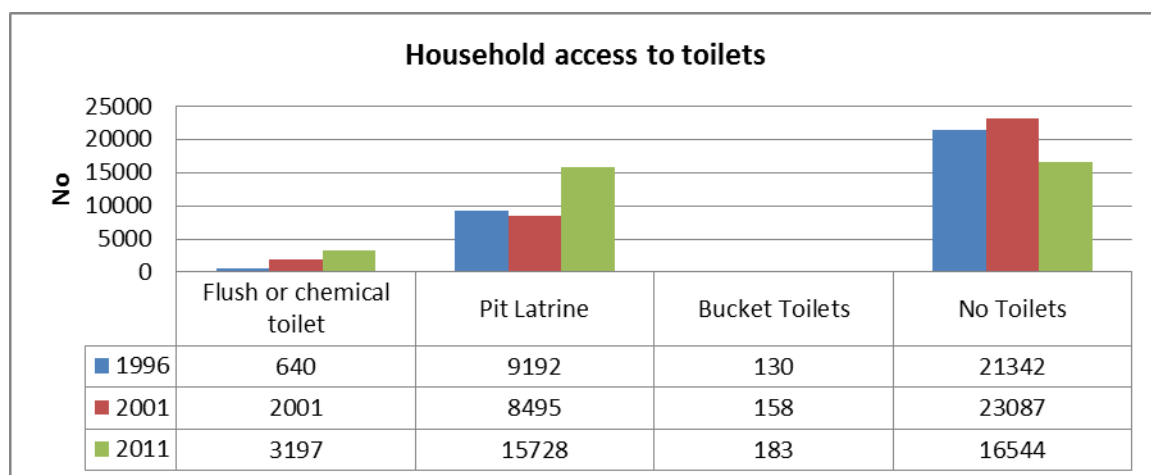


These traditional dwellings are characterized by the predominance of single-detached dwelling units.

## Access to Services

### Household access to toilets

The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.

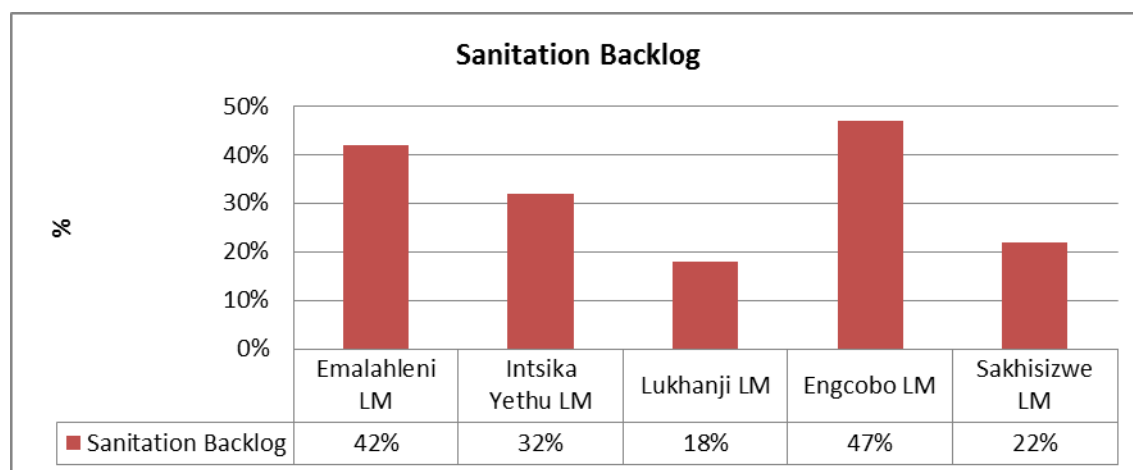


About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in

raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

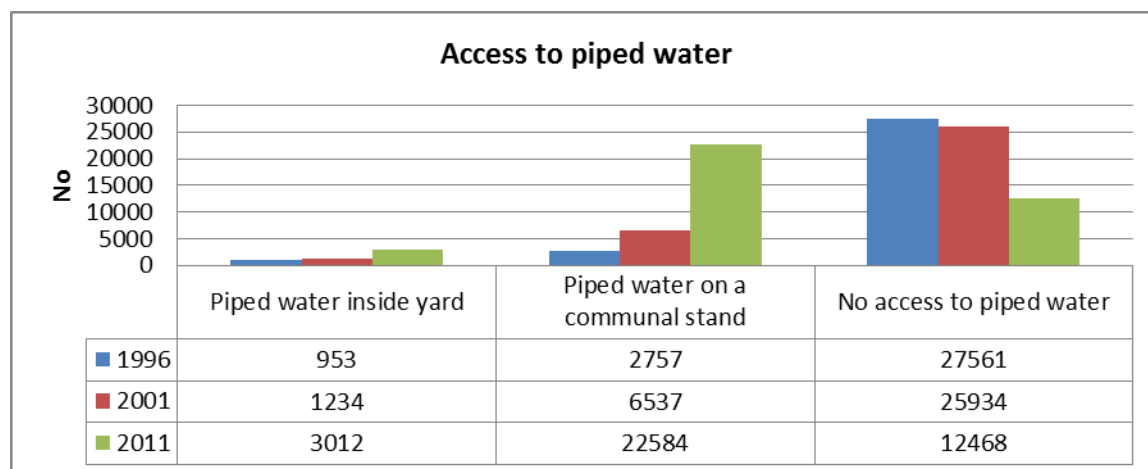
### Sanitation Services Backlog.

According to the CHDM WSDP 2012 (*Sanitation Services Backlog, Page 9 of 143*), the current sanitation services backlog per municipality has been measured as follows;



The biggest proportion of the CHDM population with a high share of sanitation services backlog resides at Engcobo LM followed by Emalahleni and Intsika Yethu LM respectively. This could be attributed to spatial size of these municipalities and the fact that they are highly rural in nature. This trend is similar to the water services backlog, which is highest in the same municipalities.

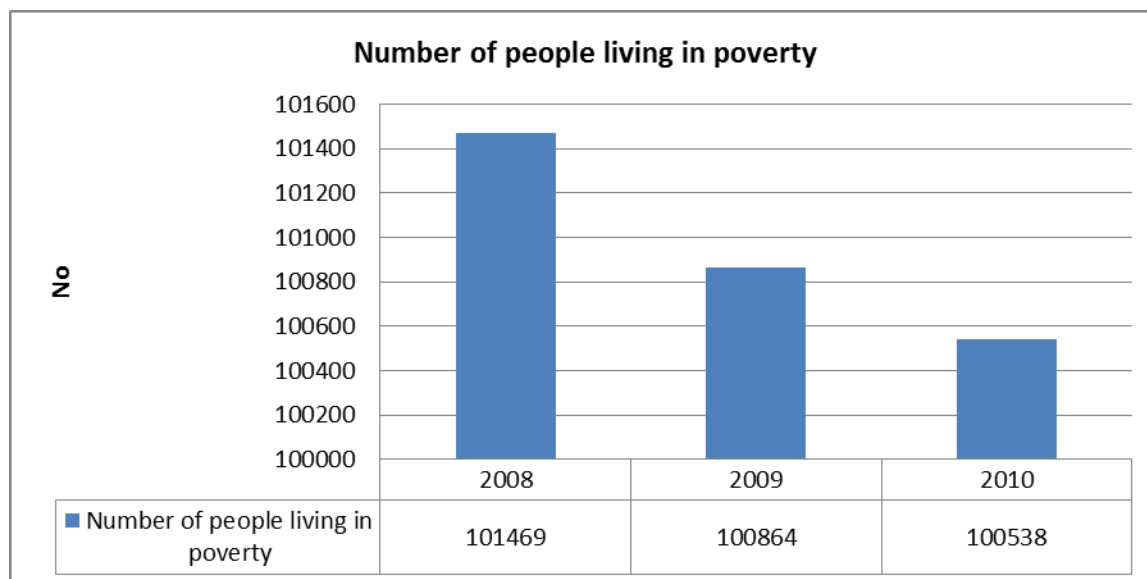
### Household access to water.



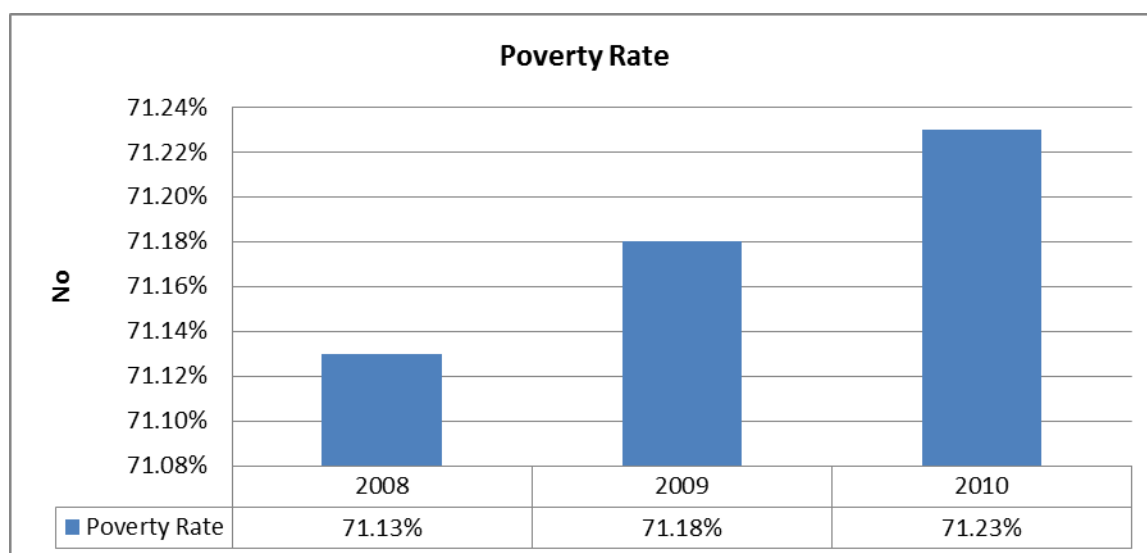
There is a considerable decrease in the number of people who do not have access to water. However about 5% of the ELM population still fetches water from dams and streams.

## Poverty Indicators.

### Number of People Living Poverty.



### Number of People Living Poverty.



## **1.2 ENVIRONMENTAL ANALYSIS**

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Engcobo Municipality's objective with regards to environmental management is to ensure conservation of natural resources that exist within its area of jurisdiction. Its function is derived and governed by a range of legislations including, but not limited to the Environmental Management Act of 1998, Environmental Conservation Act of 1989, Development Facilitation Act of 1995 and Air Quality Act of 2004.

### **1.2.1 Physical attributes**

#### **Topography and Drainage**

Engcobo municipal area is drained by four perennial rivers-Mbashe, Xuka, Mgwali and Qumanco. It is situated on the plains or plateaux, below the foothills of the Baziya Mountains. The municipal area has a rolling topography dominated by mountains in the north and the four rivers dissecting the area in a north to south direction.

#### **Climate**

The climate is mild with warm to hot wet summers and cool to cold dry winters. Almost all areas receives a mean annual rainfall in excess of 700 mm with the highest rainfall (1000 to 1400 mm) recorded in the higher lying mountains of the north east. Most of the southern half of the municipality record 700 to 800 mm. between 65% and 75% of the rainfall occurs in the summer months (November to April)

Most of the municipality experiences summer daily maximum temperatures average for January of 26 to 28°C. These temperatures are cooler at higher altitudes in the north (24 to 26°C) and warmer in the lowlands of the south (28 to 30°C). Winter daily minimum temperatures averaged for July are cool in the south to cold in the north, with most of the region recording temperatures of 4 to 6°C, dropping to 2 to 4°C in the north.

A significant part of the central and eastern areas record less than 6 dekads of frost with only isolated area in the east and north east being frost free. More frost occurs in the west (7 to 9 dekads). The central and southern areas (with some exceptions) have a relatively short frost season with first frost recorded from 1 to 10 June and last frosts at the end of July.

Springs are generally dry to windy making the areas vulnerable to veld fires. The long dry spells commonly experienced in spring are followed by heavy summer rains making the soils vulnerable to erosion because of flash flooding.

## Vegetation

Vegetation types represent an integration of the climate, soil and biological factors in a region, and as such, are a useful basis for land use and conservation planning. There are five vegetation types found in the Engcobo LM. The distribution of these of these vegetation types is illustrated in the table below.

Drakensburg foothill moist grassland covers 43% of the Municipality followed by Mthatha moist grassland 37%. Mthatha moist grassland vegetation type is classified as endangered.

Name	Area (Hectares)	%
Drakensburg foothill moist grassland	96786.0	47
Eastern Valley Bushveld	1866.5	1
Mthatha moist grassland	84308.3	37
Southern Mistbelt Forest	5441.9	2
Tsomo Grasslands	37496.2	17
<b>Total</b>	<b>225899.0</b>	<b>100</b>

## Soils, Erodility and Arability

The relatively moist climate has resulted in the occurrence of some relatively deep loam apedal soils in some of the basins and on some plateaux. These are arable with relatively low erodility. The surrounding broken topography (ridges, hills and sloping land) is covered with mostly shallow, somewhat erodible soils.

Clay content in the topsoil over the northern and western areas tends to be higher (>25%) while in the central, southern and eastern areas, lower clay content (15 to 25%).

*The extent of Grasslands suggests that the Municipality has huge potential for livestock production, in particular sheep and cattle. It is important however that grazing is properly managed to prevent degradation and depletion of vegetation type. The good climatic conditions and soils in some of the basins and plateau allow for the potential in crop production.*

## Geology and Mining

The geological units occurring in the area are mainly alluvium, dolerite, mudstone and sandstone. The area is generally characterized by deep, solonetzic soils with clay content. This gives way to shallow soils on red clay with poor drainage capabilities. Soils are generally characterized by high erodibility and low carrying capacities.

Mining (stone quarries and sand mining) is done illegally; needs permitting in terms of the Minerals and Petroleum Resources Development Act (stone, gravel, clay). Heavy mining (quarries and borrow pits); mining sites are left un-rehabilitated and this causes erosion and sedimentation of rivers. Mining sites are not licensed and therefore no one is obligated to rehabilitate the site. They pose a safety risk for local communities.

### **Engcobo LM (Eastern Cape Biodiversity Conversation Plan)**

Engcobo LM has 24978 ha of Natural landscape (BLMC1) and 45670 ha of near Natural Landscape (BLM2). These land categories mostly occur in the northern section of the municipality.

*Areas of biodiversity conservation importance occur in the Northern section of the municipality and south of Ngcobo town.*

### **1.2.2 Environmental Aspects and Endowments**

#### **Environmentally Sensitive Areas**

In terms of the State of Environment Report of Chris Hani District Municipality, the following are priority environmental management issues:

- Qumanco wetland complex
- The high slope gradient in Engcobo, especially in the mountain areas in the north
- The conservation of indigenous forests
- The high occurrence of degraded land (63662 Hectares)
- Sensitive Fauna: Birds such as the Cape Parrot which occur in patches of the Afro Montane Forest
- Sensitive Flora: The Maputoland-Pondoland region of floristic endemism where many endemics and near endemics occur, especially in grassland vegetation
- Grassland priority zone exist in the south east corner of Engcobo where many endemic flora occur.

#### **Conservation Areas**

There are no conserved areas in Engcobo. The IUCN recommends that 10% of the area of Engcobo be conserved. It is proposed that the mountains in the north including 55 pockets of indigenous forests be preserved in a Nature Reserve and that a conservancy be established for the Grassland Priority Zone in the south, which will make up the required 10%.

#### **Rivers**

9 Perennial Rivers flow through Engcobo LM. They are the Nqancube, Mnyolo, Ntsuba, Mbashe, Xuka, Mgwali, Tora, Qumanco and Qitsi rivers. These rivers are all classified as vulnerable.

**There are no conservation areas in the municipality.**



There are however a number of areas that require environmental management these include:

- Topography where slopes have a gradient greater than 1:5.
- Rivers/water source
- Areas containing plants and vegetation of conservation of importance e.g. afro-montane forest and specific grassland areas,
- Wetland areas
- Other areas: the habitat of endangered animals and birds e.g. the wattle crane, cape parrot

*Environmental concern is the extent of the land degradation*

### **1.2.3. Environmental Elements**

---

The Environment is a Dynamic System and therefore cannot be approached in a prescriptive manner. Environmental Guidelines and Principles must be outlined in order to facilitate responsible and environmentally sustainable development and highlight potential high-risk areas where further investigation (in the form of an EIA or scoping report) is required. The merit and desirability of each development needs to be individually assessed.

#### **Legislation**

The importance of the natural environment has been realized by the present government and over the past 10 years many new legislations, policies and laws have been adopted in order to better manage and conserve our environment. The following governmental legislation and policies are the key informants in the management and protection of the Environment.

- The Constitution Act 108 of 1996
- National Forest Act 84 of 1998 (NFA)
- Air Quality Act
- Biodiversity Act
- National Environmental Management Act (NEMA)
- Environment Conservation Act No. 73 of 1989 (ECA)
- Conservation of Agricultural Resources Act (CARA)
- National Water Act 36 of 1998 (NWA)
- Protected Areas Act

It is vital that Government Departments and Local Municipalities are familiar with the legislation in order to comply with and implement the legislation.

#### **High risk Areas**

The following are high-risk areas where development is discouraged.

- Topography: Slopes with a gradient greater than 1:5. This is due to the ecological impacts which may result e.g. soil erosion; slope failure etc.

- Rivers/ Water Source: Development within the 1:100 year flood line or within 100m of the high flood level. Development within 50m of riverbank; with 100m being the preferred distance.
- Vegetation: Afromontane Forest, Specific Grassland areas, Areas containing Plants and Vegetation of Conservation Importance
- Wetland Areas
- Heritage Sites: Rock Art Sites
- Other Areas: The habitat of endangers animals and birds e.g. the Wattle Crane and Cape Parrot
- Municipal Public Open Space.

### **Environmental Concerns/Issues**

- Lack of Environmental Policy, Policing and Planning. There is a lack of internal capacity and human resource skills provision in the Municipalities current structure and are unable to undertake important functions of environmental planning and monitoring..
- Flooding
- Drought
- Decaying urban aesthetics: due to poorly organized refuse collection and waste management programmes coupled with lack of enforcement of local by-laws for town planning, the Ngcobo CBD is characterized by litter and remains from burst water mains.
- Roaming animals: due to broken and sometimes non-existent fences along grazing areas and abutting villages to main roads. These animals are often responsible for motor accidents.
- Land degradation including soil erosion
- Depletion of natural resources and therefore the loss of habitat and biodiversity e.g. wetland areas.
- Lack of basic infrastructure leading to various environmental problems e.g. lack of sanitation facilities, formal waste removal etc.
- Water Pollution
- Alien and Invasive Plant Species
- Climate Change

### **Climate Change**

Climate change is regarded by many as one of the most important environmental and developmental issues facing society. The scientific evidence for a rise in global temperature over the past century is unequivocal.

Globally and in the Eastern Cape, more energy is being used than ever before. This is causing the release of the highest quantities of Greenhouse Gasses ever, recorded. Greenhouse gasses lead to global warming, which in turn leads to climate change. Some impacts of climate change that scientists have predicted will affect Southern Africa, including the Eastern Cape, are:-

- More disasters related to severe weather events
- Longer and drier dry periods, leading to drought
- More runaway fires
- More intense flooding
- Sea-level rise
- Threats to food security and human health
- Loss of biodiversity
- Water supply problems
- Related economic impacts

There are two recognised ways of managing for a changing climate:

- Climate change mitigation (reducing the release of greenhouse gasses to the atmosphere. This is strongly linked to energy consumption and management efforts should focus on promoting energy efficiency, renewable energy, etc.)
- Climate change adaptation is a more reactionary approach to managing the effects of Climate Change (e.g. adapting to predict increases in climate change related disasters, and adapting to changes in our environmental systems).

Municipalities in their policy planning can make meaningful contributions towards climate change mitigation and adaptation. The following notions are promoted through the objectives of SDFs, which have important implications for climate change:

- Spatial fragmentation has meant that transport distances (especially from home to work) are long and are therefore energy consuming
- The lack of services (e.g. the absence of electricity) in certain areas forces communities to make use of more expensive and unsafe energy sources such as paraffin, fuel-wood, etc. Furthermore natural resources are in some cases being depleted for energy generation (e.g. fuel-wood)
- Higher density settlements are favourable in reducing transport distances
- Promotion of public transport directly reduces energy consumption per capita
- Avoiding settlement in potential disaster areas (such as floodlines; littoral active zones, etc.)

### **Climate Change Strategy**

The municipality is in the process of developing a Climate Change Strategy; the strategy will be used as a planning document and is to be incorporated into all sector plans. The strategy will look at climatic trends of the area and add new climatic data to try and determine future climatic trends; thus will assist with planning purposes. Currently to manage climate change issues the municipality uses the district Environmental Plan and the Provincial Climate Change Strategy.

Projects that will emanate from the strategy will include developing educational posters to raise awareness about climate change both with staff and scholars throughout the area. The educational posters for schools will be developed for grades 10-12 as a supplementary education tool for teachers teaching subjects like natural sciences. Awareness campaigns will

assist both with mitigation and adaptation to a phenomenon which will affect us and generation to come.

### **Air Quality**

Air quality management in South Africa has recently undergone a major revision, with a shift from the source based air quality management approach under the Atmospheric Pollution Prevention Act (No. 45 of 1965) (APPA) to an ambient based approach under the National Environmental Management: Air Quality Act (No. 39 of 2004)(AQA). This change in air quality management approach has also seen a change in the responsibility for air quality management being devolved down from the national level to the local authority level (district and metropolitan municipalities).

Under the new Act each local authority is responsible for the development and implementation of an air quality management plan as part of their Integrated Development Plans (IDP. The terms of reference for the AQMP (JGDM) have already been developed.

#### **Causes:**

- ☐ The public transport sector (taxis, trucking, buses) are responsible for emitting pollutants in the form of exhaust fumes.
- ☐ Burning of waste in landfill sites.
- ☐ Uncontrolled, extensive and unnecessary burning of grasslands.
- ☐ Lack of public awareness of air quality issues and legislated pollution prevention.
- ☐ Lack of appropriately skilled monitoring and enforcement

### **Solid Waste Management**

- ☐ Waste by laws
- ☐ Environmental by laws

## SUMMARY OF POPULATION CONCERNS

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Demographic Analysis	Socio-Economic Analysis	Relevant KPA
Population increase	Highest number of people is the youth and the economically active group of the society.	Good Governance and public participation
High unemployment levels	High indigence rate Low income housing	Infrastructure Development and Service Delivery; Financial Viability and Management
Low levels of income	Impoverishment and limited employment opportunities	Good Governance and public participation
High levels of disability	Dependence on social grants	Good Governance and public participation
High numbers of people with no schooling	Low levels of knowledge High indigence rate Dependence on grants Low levels of economic growth in the area	Good Governance and Public Participation
High illiteracy rates	Leads to poor comprehension of socio-economic variables	Good Governance and Public Participation
Increased migration levels	Increased urbanisation	Infrastructure and Service Delivery
High Service delivery backlogs	High number of rural households without electrification, water and sanitation	Infrastructure and Service Delivery

## CHAPTER 2: VISION, MISSION AND OBJECTIVES

### 2.1 VISION

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The following vision was adopted for the Engcobo Local Municipality:

“A well capacited, clean, safe and friendly municipality characterised by vibrant agriculture and tourism sectors with skilled and empowered community.

#### THE MISSION STATEMENT

“To improve the quality of lives of the Engcobo Community by providing basic and affordable services whilst alleviating poverty through social and economic development of the area thereby creating a safe, healthy and secure environment.”

#### THE VALUES

In addition to the Batho Pele principles, our municipality commits itself to upholding the following set of values:

- ☐ Ensuring municipal wide good governance.
- ☐ Accountable and responsible local government.
- ☐ Maximum public participation.
- ☐ Focus on economic growth and human resource development.
- ☐ Honesty and integrity.
- ☐ Tolerance to the diverse nature of our clientele and communities.
- ☐ Acting responsible in our dealings.
- ☐ Safety and secure living for all residents.
- ☐ Results orientation
- ☐ Acceleration of service delivery
- ☐ Effectiveness and efficiency in our approach
- ☐ Good governance, accountability, and public participation.

The values illustrated above are expected to serve as a guide in decision-making and operations of the municipality, more especially in relation to the following:

- ☐ Promote development which is in line with the Engcobo Spatial Development Framework.
- ☐ Protect the Engcobo Central Business District (CBD) as the primary node.
- ☐ Protect and promote public and private investment in the area.

- ☐ Preserve and protect natural resources and sensitive environmental areas.
- ☐ Support the socio-economic growth and development of the localities to the benefit of the entire Engcobo Local Municipality
- ☐ Promote physical, social and economic integration within the Engcobo Local Municipality.
- ☐ Ensure consistency in policies, strategies, land use management and by-laws.
- ☐ Promote gender equality and youth development.

The objectives, strategies and interventions forthcoming from the IDP support the vision and fundamentals. The Spatial Development Framework provides a spatial reflection of the vision, giving effect to the principles and fundamentals by guiding spatial development in the area.

## **2.2. THE STRATEGIC OBJECTIVES**

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The aim of the IDP for the Engcobo Local Municipality is to move away from the idea of the IDP being a mere wish list and move towards a strategic and focused development plan. In order to achieve this, a series of Strategic Objectives have been formulated with each objective supported by strategies or interventions, which are to be implemented through projects and actions requiring budgetary allocations in the budgetary process of the Engcobo Municipality which is to follow from the Integrated Development Plan.

The Key Broad Strategic Objectives that will guide programs of the Municipality over the next five years are:

- a) To create a conducive environment for Local Economic Development and thereby improving access to economic opportunities.
- b) To improve overall financial management by developing and implementing appropriate and relevant financial management policies, procedures and systems
- c) To eradicate backlogs to eventually improve access to services and ensure proper operations and maintenance of infrastructure services
- d) To provide basic services that are affordable and reliable to the people of Engcobo within the available resources of the municipality,
- e) To ensure that the municipality becomes a viable and sustainable entity that has a reputation of effectively managing its scarce resources through a responsible, clean and accountable administration,

- f) To ensure that the municipality becomes a people-centered institution that creates space and platforms for its community and critical role-players to play a meaningful role in the planning, monitoring and evaluation of the performance of the organization.

### **2.3. KEY PERFORMANCE PRIORITIES**

The following is a summary of the Key Development Priorities identified for the Engcobo area from the Situational Analysis process:

- ☐ Enhance local economic development by creating a conducive environment & sustainable approach to agriculture, tourism and small business development.
- ☐ Rezoning, re planning of townships, SDF review and planning by-laws
- ☐ Enhance skills development in line with the Skills Development Act No. 97 of 1998.
- ☐ Correct the mismatch between the Organogram & the prevailing workplace environment.
- ☐ Introduce job grading for correct remuneration structuring.
- ☐ Align the workplace practices paying particular attention on compliance with employment equity provisions as prescribed by the EEA No. 5 of 1998.
- ☐ Improve basic working conditions for employees, such as provision of adequate office and workspace as well as furniture.
- ☐ Enhance information management & operational efficiency through provision of IT support (hard-ware & software and internet connectivity).
- ☐ Improve labour relations by democratizing the workplace in line with the LRA.
- ☐ Create an enabling environment for the introduction & engagement with workplace forums & collective bargaining in line with the LRA.
- ☐ Introduce workplace grievance processes for dispute resolution.
- ☐ Address service backlogs (water & sanitation, roads & bridges, storm-water & solid waste, electricity) needs to be addressed.
- ☐ Upgrading and maintenance of roads & stormwater, sewer and purification networks.
- ☐ Public transportation (building of bus & taxi rank).
- ☐ Upgrading of the town precinct along the main road (to be done with SANRAL).
- ☐ Improve revenue collection & broaden revenue base.
- ☐ Enhance indigent provision.
- ☐ Building of new and upgrading of existing sports facilities.
- ☐ Introduce water loss management practices.
- ☐ Introduce better financial management practices for a better & improved audit outcome.
- ☐ Comply with the purpose & scope of the Occupational Health and Safety Act No. 85 of 1993.
- ☐ Mainstream all the SPU programmes.
- ☐ Improve internal governance structures such the functioning of the Audit Committee.
- ☐ Improve all public participation practices and mechanisms.



## 2.4 OBJECTIVES, STRATEGIES, PROJECTS AND ACTIVITIES

Objectives are the specific goals that have to be achieved, in order to bring the current situation including identified community needs closer to the Vision. The Strategies are the actions and interventions required to implement the Objectives and eventually culminate in a list of Projects.

There are nine (9) Strategic Objectives to be achieved in the Engcobo Local Municipality, and as part of the Strategy to achieve these, several Programmes have been formulated per each of the Strategic Objectives.

The table below provides a summary of the various Strategic Objectives and Programmes as discussed earlier.

## 2.5 ENGCOBO IDP's STRATEGIC OBJECTIVES AND RELATED PROGRAMMES/PROJECTS

IDP Strategic Objectives			
KPA	Strategic Objective	KPI	Programmes/Projects
2	<b>Alignment and implementation of the legislation Spatial Planning and Land Use Management Act (SPLUMA)</b>	SPLUMA aligned and implemented by July 2015. SDF reviewed; replanning and rezoning of available land for residential and commercial purposes conducted by July 2015	SDF Review, replanning and rezoning
		Number of Cllrs, communities, traditional leaders and staff capacitated by July 2015	Capacity building and awareness of the Act (Cllrs, Community and Traditional Leaders)

3	Poverty Alleviation	5% MIG funding accessed for LED Infrastructure by July 2015	Access 5% MIG funding on LED
		Feasibility study and business plan on poultry value chain developed by 2015	Conduct feasibility study and develop a business plan on poultry for massive job opportunities
		Number of existing LED projects supported by 2015	Support existing projects according to LED sectors (Agriculture, Farming, Poultry, Maize, Forestry, Heritage and Tourism)
3	Local Economic Development	Number of relevant developers and funders for partnership created by 2015	Create partnership with relevant developers and Funders
		A shopping mall and taxi rank established by July 2016	Facilitate the establishment of a Taxi Rank and a Mall
		6 Tractors auctioned; 1 Tractor Mechanic recruited; tractor management plan developed and number of Tractor accommodation constructed by July 2015	Auction of all six Municipal Tractors Recruitment of Tractor Mechanic Management Tractor Plan development Tractor accommodation established
		Research on minerals and forestry conducted by July 2015	Conduct research on Minerals and Forestry
		Conference centre and information centre on	Facilitate the establishment of Conference centre and information centre at the Hero's Park

		Hero's Park's completed by July 2015	
		30 Transido flats upgrated and completed by July 2015	Upgrading of Transido Flats
2	<b>Institutional Transformation and Organisational Development</b>	Number of officials's capacity augmented by July 2015	Augment the Institutional Capacity of the Engcobo Municipality
		Number of Development Proposals mitigated by July 2015	Ensure that Mitigation Measures are considered in Development Proposals
		Number of lower Managers Performance Management System cascaded down by July 2015	Strengthen PMS and cascade it down to lower level
4	<b>Financial Viability and Management</b>	% of a compliant, efficient, effective and economical Supply Chain Mangement process ensured by July 2015	Ensure a compliant, efficient, effective and economical Supply Chain Management process
		% of Supply Chain Management turnarouns time improved by July 2015	Improve Supply Chain Management turnaround time
		Number of Officials capacitated on SCM by Jult 2015	Capacity building within SCM unit and municipality as a whole
		% of revenue base and income stream improved by	Improvement of Revenue Base (Income stream)

		July 2015	
		% of finite resources management improved by July 2015	Improve management of finite resources so as to extract more value from every available rand
		Number of finance related laws and regulations complied with by July 2015	Compliance with laws and regulations.
2	Community Development	% of adequate funding security of the department secured by July 2015	Ensure funding security for adequate functioning of the department
		% of HIV/AIDS, TB prevalence and socio-economic challenges reduced by July 2015	Reduction of prevalence of HIV and AIDS, TB, Poverty and socio-economic challenges
		Number of amenities and landfill managed adequately by July 2015	Adequate management of amenities and landfill
2	Infrastructure Development and Service Delivery	% of infrastructure and service delivery maintenance by July 2015	Infrastructure and service delivery maintenance
		A holistic infrastructure plan with backlog statistics per ward per infrastructure developed by July 2015	Development of a holistic infrastructure plan with backlog statistics per ward per infrastructure

		% of quality infrastructure developed by July 2015	Development of quality infrastructure
5	<b>Good Governance and Public Participation</b>	% of continuous functionality of all governance structures ensured by July 2015	Ensure continuous functionality of all governance structures
		Number of functional public participation processes ensured by July 2015	Ensure functional public participation processes
		Number of functional youth structures functional by July 2015	Functional youth structures
		% of efficient and effective internal audit established by July 2015	Establish an efficient & effective internal audit
		Number of residents provided with safety by July 2015	Provision of safety to all residents

### CHAPTER 3: IDP REVIEW PROCESS

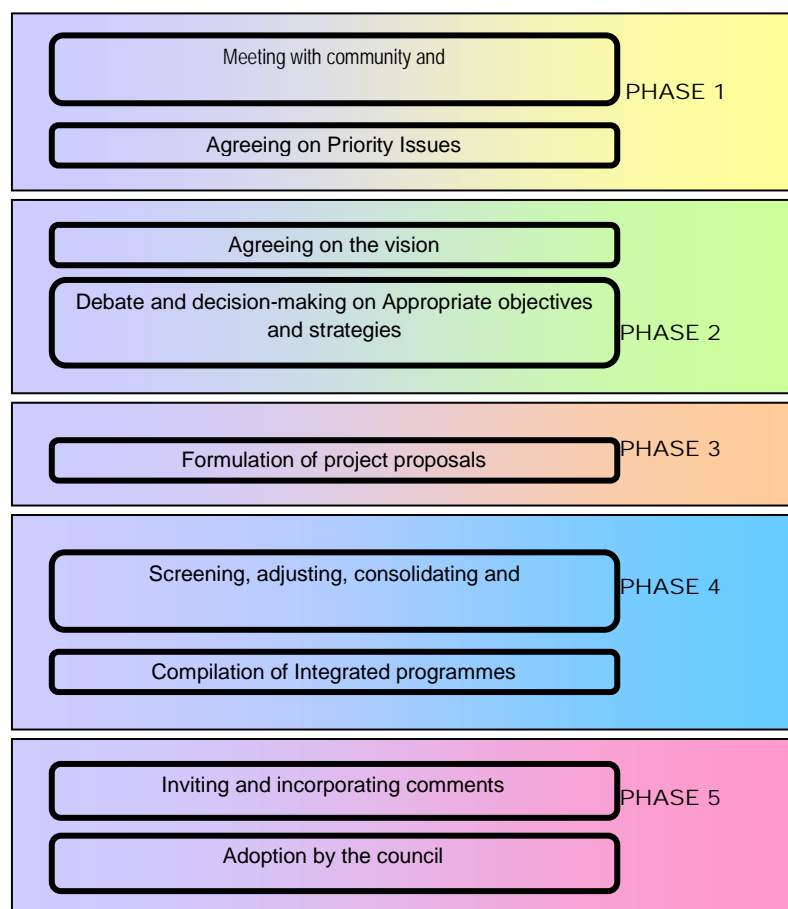
The IDP process is aimed at achieving faster and more effective service delivery and to provide a framework for economic and social development in Engcobo Municipality. The integrated context strives to create a planning environment that allows for the integration and alignment of government's strategic objectives and delivery priorities and is geared towards eliminating the development legacy of the past.

The Department of Provincial and Local Government IDP Guidelines summarized the purpose of the Integrated Development Planning Process as follows:

- Eradicating the development legacy of the past
- Making the notion of developmental Local Government work
- Laying the foundation for community building
- Fostering co-operative governance

The methodology followed in the IDP process is based on the Department of Provincial Local Government (DPLG) model or approach which is staged over 5 phases: Analysis, Strategies, Project Formulation, Integration and Approval as illustrated in Figure 1.1 overleaf.

**FIGURE 1.1: THE GENERIC IDP PROCESS**



While the guide packs propose a systematic process of IDP preparation based on typical systems theories, the reality of planning in the Engcobo area is more similar to incremental planning and constant shaping of a concept, until consensus is reached. As such, the final approved IDP document is likely to change over subsequent years as external and internal factors impact and reshape strategic focus.

The Constitution provides the primary overarching framework within which Local Government planning must be understood. As has been mentioned earlier the Constitution gives Local Government a mandate to provide democratic and accountable Government for all communities; ensure the provision of services to communities in a sustainable manner; promote social and economic development; promote a safe and healthy environment and encourage the involvement of communities and community organizations in the matters of Local Government.

The under-mentioned Acts regulate the legal context within which all municipalities are expected to function:-

- Municipal Demarcation Act;
- Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998) as amended;
- Local Government: Municipal System Act, 2000 (Act No 32 of 2000) as amended;
- Municipal Planning and Performance Management Regulations, (Regulation No. R796, 24 August 2001); and
- Local Government: Municipal Finance Management Act, 2003 (No. 56 of 2003) as amended

### **Annual Review and Amendment of the Integrated Development Plan**

The Engcobo IDP for 2014/2015 is based on the following prescripts:-

A Municipal Council:

- Must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements, and to the extent that changing circumstances so demand a review;
- May amend its Integrated Development Plan in accordance with a prescribed process (Local Government Municipal Systems Act, 2000, Section 34).

The Mayor of a municipality must co-ordinate the annual revision of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act, and determines how the Integrated Development Plan is to be taken into account or is to be revised for the purposes of

preparing the annual budget. Section 53 (1) (b) of the Municipal Finance Management Act, 2003 (Act 56 of 2003) as amended

**The Engcobo Municipality's Integrated Development Plan under review for 2014/2015 is structured as follows:**

Chapter 1	Situational Analysis
Chapter 2	Vision, Mission and Objectives
Chapter 3	IDP Review Process
Chapter 4	Strategic Alignment with Key National, Provincial and District Government
Chapter 5	Status Quo Assessment and Key Performance Areas <ul style="list-style-type: none"> <li><input type="checkbox"/> Institutional Development and Transformation</li> <li><input type="checkbox"/> Service Delivery and Infrastructure Development</li> <li><input type="checkbox"/> Local Economic Development</li> <li><input type="checkbox"/> Financial Viability</li> <li><input type="checkbox"/> Good Governance and Public Participation</li> </ul>
Chapter 6	<ul style="list-style-type: none"> <li><input type="checkbox"/> Programmes and Projects</li> <li><input type="checkbox"/> Unfunded Projects</li> </ul>
Chapter 7	High Level Sector Plans



## CHAPTER 4: STRATEGIC ALIGNMENT WITH KEY NATIONAL, PROVINCIAL AND DISTRICT GOVERNMENT

Since the first democratic elections in South Africa in 1994, the nature and functions of municipalities changed drastically, with more emphasis being placed on the developmental role of local authorities. Developmental local government means a commitment to working with citizens to find sustainable ways to meet their social, economic and material needs to improve the quality of their lives. A duty is also placed on local authorities to ensure that development policies and legislation are implemented.

Preference must therefore be given to this duty when managing the administrative and budgetary processes of the municipality.

The Constitution of the Republic of South Africa (1996) commits government to take reasonable measures, within its available resources, to ensure that all South Africans have access to adequate housing, health care, education, food, water and social security. The current goal of municipalities is to establish a planning process which is aimed at the disposal of the imbalances created by the apartheid era. Developmental local government can only be realized through integrated development planning and specifically the compilation of an Integrated Development Plan (IDP).

The IDP preparation and review processes are predominantly guided by various legislations, policies and guides as alluded above. These policy guides have to be carefully considered when the IDP is being developed and reviewed. These policies, guides and legislative frameworks include but not limited to the following;

- ☐ The Constitution of the Republic of South Africa.
- ☐ Municipal Structures Act No 117 of 1998.
- ☐ Municipal Systems Act No. 32 of 2000.
- ☐ Municipal Finance Management Act No. 56 of 2003.
- ☐ Millennium Development Goals-2015.
- ☐ National Development Plan 2030
- ☐ Batho pele Principles 1998
- ☐ National Spatial Development Perspective.
- ☐ Accelerated Shared Growth Initiative for South Africa (ASGISA).
- ☐ Provincial Growth Development Strategy.
- ☐ Joint Initiative on Priority Skills Acquisition (JIPSA).
- ☐ IDP Guides and Spatial Development Framework (SDF).

**Section 25 of the Municipal Systems Act (Act 32 of 2000) stipulates that:**

*“Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which:*

- a) *links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;*
- b) *aligns the resources and capacity of the municipality with the implementation of the plan;*
- c) *forms the policy framework and general basis on which annual budgets must be based;*
- d) *complies with the provisions of this Chapter; and*
- e) *Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation”.*

As far as the status of an integrated development plan is concerned, Section 35 states that an Integrated Development Plan adopted by the council of a municipality:

- a) *“is the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development, in the municipality;*
- b) *binds the municipality in the exercise of its executive authority, except to the extent of any inconsistency between a municipality’s integrated development plan and national or provincial legislation, in which case such legislation prevails; and*
- c) *Binds all other persons to the extent that those parts of the integrated development plan that impose duties or affect the rights of those persons have been passed as a by-law”.*

Section 36 furthermore stipulates that:

*“A municipality must give effect to its integrated development plan and conduct its affairs in a manner which is consistent with its integrated development plan”.*

However, in terms of section 34 of the Municipal Systems Act, a municipal council “must review its integrated development plan annually ..”, and based on the outcome of the review process it “may amend its integrated development plan in accordance with a prescribed process”.

The MSA thus places a legislative duty on municipalities to adopt a single, inclusive and strategic plan (Integrated Development) for the development of the municipality which links; integrates an co-ordinates plans and takes into account proposals for the development of the municipality; aligns the resources and capacity of the municipality with the implementation of the plan; and forms the policy framework and general basis on which annual budgets must be based.

The compilation of Integrated Development Plans by municipalities is regulated in terms of the Municipal Systems Act (Act 32 of 2000).

Moving from the premise that Engcobo municipality is an integral part of the South African developmental State, this chapter strives for synergy with the programmes of other organs of state, particularly at a strategic level.

This section lists the numerous Plans and Strategic initiatives that have informed and influenced the macro strategic direction followed by Engcobo municipality over the last few years. The democratization of Local Government demanded the crafting of new legislation, policies and strategies which have been tried and tested over the past ten to fourteen years. In retrospect some have worked very well and other held unintended consequences which necessitates continues redesign of policies and new approached to be tested. In this way some objectives and strategies at all levels of government have been modified over time to improve developmental effectiveness. Instilled in all these initiatives and objectives, old and emerging, is the welfare of South Africans citizens and for this reason Engcobo municipality will show the connectivity through to the Outcome 12 drive, in as far as it relates to local government.

#### 4.1. MILLENIUM DEVELOPMENT GOALS

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As a member state of the United Nations, South Africa is a signatory to the MDG agreement. South Africa has committed to eight global development priorities termed the Millennium Development Goals (MDGs). The eight MDGs are listed in their numerical order below:

1. To eradicate extreme poverty and hunger
2. To achieve universal primary education
3. To promote gender equality and empower women
4. To reduce child mortality
5. To improve maternal health
6. To combat HIV and AIDS, malaria and other diseases
7. To ensure environmental sustainability
8. To develop a global partnership for development

South Africa considers this global agenda as the single most important agenda for resolving its development challenges and has incorporated these eight MDGs into a national set of ten priorities.

#### 4.2. SUMMARY OF THE NATIONAL DEVELOPMENT PLAN 2030

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##### High-level objectives to be achieved by 2030

- ☐ Reduce the number of people who live in ***households with a monthly income below R419 per person*** (in 2009 prices) from 39 percent to zero.
- ☐ Reduce ***inequality***, as measured by the [Gini coefficient](#), from 0.69 to 0.6.

- ❑ To make meaningful progress in eliminating poverty and reducing inequality, South Africa needs to write a new story. The National Planning Commission envisions a South Africa where ***opportunity is determined not by birth, but by ability, education and hard work.***
- ❑ Above all, we need ***to improve the quality of education and ensure that more people are working.*** We need to make the most of all our people, their goodwill, skills and resources. This will spark a cycle of development that expand opportunities, builds capabilities and raises living standards. We cannot continue with business as usual. We need to change the way we do things; the sooner we do this, the better.

### **Enabling milestones**

- ❑ Increase employment from 13 million in 2010 to 24 million in 2030.
- ❑ Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- ❑ Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- ❑ Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- ❑ Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- ❑ Broaden ownership of assets to historically disadvantaged groups.
- ❑ Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- ❑ Provide affordable access to quality health care while promoting health and wellbeing.
- ❑ Establish effective, safe and affordable public transport.
- ❑ Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- ❑ Ensure that all South Africans have access to clean running water in their homes.
- ❑ Make high-speed broadband internet universally available at competitive prices.
- ❑ Realize a food trade surplus, with one-third produced by small-scale farmers or households.

- ❑ Ensure household food and nutrition security.
- ❑ Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- ❑ Realize a developmental, capable and ethical state that treats citizens with dignity.
- ❑ Ensure that all people live safely, with an independent and fair criminal justice system.
- ❑ Broaden social cohesion and unity while redressing the inequities of the past.
- ❑ Play a leading role in continental development, economic integration and human rights.

### **Critical actions**

- ❑ A social compact to reduce poverty and inequality, and raise employment and investment.
- ❑ A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- ❑ Steps by the state to professionalize the public service, strengthen accountability, improve coordination and prosecute corruption.
- ❑ Boost private investment in labor-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- ❑ An education accountability chain, with lines of responsibility from state to classroom.
- ❑ Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- ❑ Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- ❑ Interventions to ensure environmental sustainability and resilience to future shocks.
- ❑ New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- ❑ Reduce crime by strengthening criminal justice and improving community environments.

## **Building a future for South Africa's Youth**

South Africa has an urbanizing, youthful population. This presents an opportunity to boost economic growth, increase employment and reduce poverty. The Commission, recognizing that young people bear the brunt of unemployment, adopted a "youth lens" in preparing its proposals, which include:

- ❑ A nutrition intervention for pregnant women and young children
- ❑ Universal access to two years of early childhood development
- ❑ Improve the school system, including increasing the number of students achieving above 50 percent in literacy and mathematics, increasing learner retention rates to 90 percent and bolstering teacher training
- ❑ Strengthen youth service programmes and introduce new, community-based programmes to offer young people life-skills training, entrepreneurship training and opportunities to participate in community development programmes
- ❑ Strengthen and expand the number of further education and training (FET) colleges to increase the participation rate to 25 percent
- ❑ Increase the graduation rate of FET colleges to 75 percent
- ❑ Provide full funding assistance covering tuition, books, accommodation and living allowance to students from poor families
- ❑ Develop community safety centers to prevent crime and include youth in these initiatives
- ❑ A tax incentive to employers to reduce the initial cost of hiring young labor-market entrants
- ❑ A subsidy to the placement sector to identify, prepare and place matric graduates into work. The subsidy will be paid upon successful placement
- ❑ Expand learnerships and make training vouchers directly available to job seekers
- ❑ A formalized graduate recruitment scheme for the public service to attract highly skilled people
- ❑ Expand the role of state-owned enterprises in training artisans and technical professionals.

## Progress

As a country, progress has been substantial and our history provides many examples of South African coming together to achieve amazing things: our democratic transition, our constitution and regular and credible elections.

We still have a lot to do if we are to move towards the inclusive and just society envisaged in our constitution by 2030. Fortunately the challenges that confront us are not insurmountable.

The success of this plan will be judged by its ability to change relationships among people, within families, between people and the state and within the state itself. The plan is about bringing transformation - to achieve a virtuous cycle of confidence and trust a growing economy and expanding opportunities.

To achieve our vision, each South African must make a contribution. Active citizenry requires showing inspirational leadership at all levels of society, Leaders should mobilize communities to take charge of their future, raise grievances and assume responsibility for ensuring outcomes achieved.

## Elements of a decent standard of living

Income, through employment or social security, is critical to defining living standards, but human beings need more than income. ***They need adequate nutrition, they need transport to get to work, and they desire safe communities and clean neighbourhoods.*** These elements require action either from individuals, government, communities or the private sector.

The National Development Plan makes a firm commitment to achieving a minimum standard of living which can be progressively realized through a multi-pronged strategy. In the plan, we do not define that minimum standard of living but we do provide a framework for the adoption of a minimum standard of living by society. This approach is consistent with the Commission's view that the achievement of such a floor would require support and participation from all social partners and hence its definition is left for ongoing work of the Commission.

## Going forward

In the remainder of its five-year term, the Commission will raise awareness of the plan among stakeholders, drive a long-term research agenda and advise government and society on the implementation of the plan. We will also work with the Department of Performance Monitoring and Evaluation to monitor the implementation of the plan.

### 4.3 COGTA: NATIONAL KEY PERFORMANCE AREAS FOR MUNICIPALITIES

Department of Cooperative Governance and Traditional Affairs (**CoGTA**) assess the progress made by municipalities against five Key Performance Areas (KPA's) and cross-cutting interventions adopted in the 5-Year Local Government Strategic Agenda. The five KPA's that form the basis of the assessments are:

- ☐ **KPA 1:** Municipal Transformation and Organizational Development;
- ☐ **KPA 2:** Basic Service Delivery;
- ☐ **KPA 3:** Local Economic Development (LED);
- ☐ **KPA 4:** Municipal Financial Viability and Management; and
- ☐ **KPA 5:** Good Governance and Public Participation.

The above allow CoGTA to determine how well each municipality is performing, compare its performance to targeted goals, create measures to improve performance, identify the municipalities that have under-performed and propose remedial action to improve performance of municipalities.

### 4.4 BATHO PELE PRINCIPLES (1998)

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1. **CONSULTATION:** Citizens should be consulted about the level and quality of public service they receive, and where possible, should be given a choice about the services which are provided
2. **SERVICE STANDARDS:** Citizens should know what standards of service to expect
3. **ACCESS:** All citizens should have equal access to the services to which they are entitled
4. **COURTESY:** Citizens should be treated with courtesy and consideration
5. **INFORMATION:** Citizens should be given full and accurate information about the public services they are entitled to
6. **OPENNESS AND TRANSPARENCY:** Citizens should know how departments are run, how resources are spent, and who is in charge of particular services
7. **REDRESS:** If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation, and a speedy and effective remedy, and when complaints are made, citizens should receive a sympathetic, positive response.



#### 4.5 NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP)

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The NSDP principles below suggest that a planning approach must take into account the economic development potential of areas where the public sector is to invest:-

- ☐ Rapid economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation;
- ☐ Government has a constitutional obligation to provide basic services to all citizens, wherever they reside;
- ☐ Government spending on fixed investment, should be focused on localities of economic growth and/or economic potential;
- ☐ Efforts to address past and current social inequalities should focus on people not places;
- ☐ Localities with high levels of poverty and low development potential, public spending should focus on human resource development.

#### 4.6 AsgiSA/JIPSA

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The main objectives of the Accelerated and Shared Growth Initiative (AsgiSA) and the Joint Initiative on Skills Acquisition (JIPSA) are:-

Skills development

Mainstreaming the second economy

Infrastructure development

#### 4.7 RURAL DEVELOPMENT STRATEGY (RDS)

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The rural development strategy vision is “sustainable growth and development for improved quality of life. Strategy is based on two goals and six objectives which give rise to six pillars namely;

**Goal 1:** Socio-economic and ecological development and transformation of rural areas.

Objective 1: Implement agrarian reform programmes

Objective 2: Enabling institutional environment for rural development and increasing the rate of implementation of the land reform programme

Objective 3: Create decent jobs through farm and non-farm employment outside urban areas. The strategic priorities of this pillar are agro – processing, forestry, marine and aqua-culture tourism and LED and small scale industry

Objective 4: Fast track development of social and economic infrastructure

Objective 5: Growing the agricultural sector, ensure household food security for all and contribute significantly to national food security.

#### **Implementation of the Rural Development Strategy**

Engcobo Municipality consists of two dimensions, the one is urban in nature and the other is rural with large tracks of communal and farm lands.

### **4.8 EASTERN CAPE PROVINCIAL GROWTH AND DEVELOPMENT (UNDER REVIEW)**

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PGDP aims over a ten-year period for:

- Systematic poverty eradication
- Agrarian transformation and household food security
- Development and diversification of the manufacturing base and tourism potential
- Human resource development
- Infrastructure development
- Public sector and institutional transformation

### **4.9 LOCAL GOVERNMENT TURN AROUND STRATEGY (LGTAS)**

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The Department of Local Government and Traditional Affairs in the Eastern Cape, in collaboration with the Department of Cooperative Governance and Traditional Affairs (COGTA), introduced a new approach to assist municipalities towards improving service delivery, through the development of a Local Government Turn Around Strategy (LGTAS) which embraces, inter alia, the Municipal Capacity Assessment Tool (MUCAT). Both approaches are based on the principle that “One size fits all does not work”

The main objectives of the LGTAS are:

- ☐ to ensure that municipalities meet the basic needs of communities
- ☐ to build clean, effective, efficient, effective responsive and accountable local government
- ☐ to improve performance and professionalism in municipalities
- ☐ to improve national and provincial policy, oversight and support

- ❑ to strengthen partnerships between communities, civil society and local government

### **LGTA Implementation Framework**

The LGTAS is ‘everybody’s business.’ This refers to each sphere of government, working both vertically and horizontally, and with key stakeholders, to realize the objectives of the LGTAS. This means that detailed intergovernmental reporting will be required for the immediate pre-2014 and post 2014 implementation.

The implementation will comprise of the following:

- ❑ A Short term focus up to June 2015
- ❑ A Medium term focus from June 2014 to 2015

### **IMMEDIATE: POST-2014**

- a) Policies developed and implemented
- b) Positions advertised and filled (including critical ones such as of Section 56)
- c) Cascading of Performance Management System for Middle Managers
- d) Training of employees, Councilors and ward committees
- e) Development and implementation of all required strategies
- f) Conduct LLF meetings on monthly basis
- g) Timely submission of AFS, IDP, SDBIP, Budget and Annual report
- h) Ring fencing of conditional grant
- i) Conforming to Financial Management Systems and Supply Chain Processes
- j) Upscale community works program ward based communities
- l) Development of the Revenue Enhancement Plan
- m) Governance values communicated and “good citizenship” campaign initiated
- n) Fully functional risk committee and risk champion identified

It is clear looking at the sequencing of the strategies above that the approach is evolving. Phase 1 of the LGTAS was a basic high impact plan that has been absorbed into a more comprehensive and complex development strategy. Specific functions have been outlined for each of the three spheres with predetermined expected outputs and provides for interaction between departments and municipalities. Engcobo Municipality has strived to align the LGTAS into the IDP taking into account the MDG and Outcome 12 priorities. Therefore, in going forward the remaining LGTAS actions and new outcome 12 outputs will be reported upon during the mid-year and Annual Report for 2014/15

#### 4.10 MEDIUM TERM STRATEGIC FRAMEWORK

Through a policy commitment to 'continuity of change', each successive administration built on the development successes achieved, as well as to take stock of on-going challenges and develop strategic responses to address these limitations to growth and development.

Toward this goal the Medium Term Strategic Framework (MTSF, 2009–2014) is the most important Policy instrument as it contains a statement of governments' development intent. It identifies the development challenges facing South Africa and outlines the medium-term strategy for improving living conditions of South Africans. It is meant to guide planning and resource allocation across all spheres of government. National and provincial departments in particular need to develop their five-year strategic plans and budget requirements, taking into account the medium-term imperatives. Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their integrated development plans in line with the national medium-term priorities.

The MTSF contain the following five development objectives:

- ☐ Halve poverty and unemployment by 2014;
- ☐ Ensure a more equitable distribution of the benefits of economic growth and reduce inequality;
- ☐ Improve the Nation's health profile and skills base and ensure universal access to basic services;
- ☐ Build a nation free of all forms of racism, sexism, tribalism and xenophobia; and
- ☐ Improve the safety of citizens by reducing incidents of crime and corruption.

#### 4.11 OUTCOME 12

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National Government has agreed on 12 outcomes as a key focus of work between now and 2014. These outcomes have been expanded into high-level outputs and activities, which in turn formed the basis of a series of performance agreements between the President and relevant Ministers.

Whilst all of the outcomes can to some extent be supported through the work of local government, **Outcome 9** (A responsive, accountable, effective and efficient local government system) and its 7 outputs are specifically directed at local government:

From the development focus of the MTSF the government has derived twelve outcome areas that set the guidelines for more results-driven performance. Cabinet has accordingly agreed on the following twelve key outcomes listed in their numerical order below:-

1. Improved quality of basic education;
2. A long and healthy life for all South Africans;
3. All people in South Africa are and feel safe;
4. Decent employment through inclusive economic growth;
5. A skilled and capable workforce to support and inclusive growth path;
6. An efficient, competitive and responsive economic infrastructure network;
7. Vibrant, equitable and sustainable rural communities with food security for all;
8. Sustainable human settlements and improved quality of household life;
9. A responsive, accountable, effective and efficient local government system;
10. Environmental assets and natural resources that is well protected and continually enhanced;
11. Create a better South Africa and contribute to a better and safer Africa and world;
12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

#### **4.12 THE NEW GROWTH PATH**

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This National Policy Framework deals specifically with issues such as creating decent work, reducing inequality and defeating poverty through ***“a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth”***. Important and of practical consequence to local government, are the specific job drivers that have been identified:

- ☐ Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy;
- ☐ Targeting more labour-absorbing activities across the main economic sectors – the agricultural and mining value chains, manufacturing and services;
- ☐ Taking advantage of new opportunities in the knowledge and green economies;
- ☐ Leveraging social capital in the social economy and the public services; and
- ☐ Fostering rural development and regional integration.

## CHAPTER 5: STATUS QUO ASSESSMENT PER KEY PERFORMANCE AREA

IDP thematic clusters are conducted in-depth within the analysis of the situation at Engcobo Local Municipality. The situation analysis has been categorized according to the five (5) Local Government Key Performance Areas namely:

Local Government Key Performance Areas (KPA's)		
KPA #	KPA	Definition
Key Performance Area 1	Municipal Transformation and Organisational Development	To provide an effective and efficient workforce by aligning institutional arrangements to our overall strategy in order to deliver quality services.
Key Performance Area 2	Infrastructure Development and Service Delivery	To ensure efficient infrastructure and service delivery for the improvement of quality of life for all citizens within Engcobo
Key Performance Area 3	Local Economic Development	To facilitate sustainable economic empowerment for all communities within Engcobo and enabling a viable and conducive economic environment through the development of related initiatives including conducive environment for job creation and skills development
Key Performance Area 4	Municipal Financial Viability and Management	To ensure the financial sustainability of the municipality in order and to adhere to statutory requirements
Key Performance Area 5	Good Governance and Public Participation	To promote proper governance, accountability and public participation in municipal issues

## 5.1. KEY PERFORMANCE AREA 1: MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

The legal framework guiding the institutional aspects of the IDP is contained in acts such as the Municipal Structures Act 117 of 1998, the Municipal Systems Act 32 of 2000, the Municipal Finance Management Act 56 of 2003, as well as the labor legislation applicable to workplaces in the Republic of South Africa.

The municipality has one administrative area being Engcobo municipality based in Engcobo town; all municipal offices are situated at Union Street No.58. The challenge the municipality is currently facing is shortage of office space; however the process of procuring a service provider to build municipal offices is in place.

### Human Resource Plan

The municipality has developed a Human Resource Plan and will be adopted by Council before end of June 2014. The purpose of this plan is to guide the municipality in the management of its human resources, assist the planning for future service delivery needs and analyze the gap between the demand and supply which will eventually yield strategies for gap closure.

### Municipal Powers and Functions

The Engcobo Local Municipality is a category B municipality mandated to perform those powers and functions vested in Engcobo area as contemplated in schedules 4 and 5 of the Constitution of the Republic of South Africa, Act 108 of 1996. In addition to these powers and functions as contemplated in the Act, the municipality is mandated to perform such functions and powers as determined by the MEC responsible for Local Government and as gazetted by the province. In relation to this, therefore, the core mandate is the supply of access road maintenance and construction, firefighting, municipal planning, tourism, local economic development and maintenance of electrification as per the agreement entered into between the municipality and Eskom. The table below further illustrates powers and functions vested in the district and those allocated to the various local municipalities within the district jurisdiction.

FUNCTIO N	CHRIS HANI DM	LUKHA NJI LM	INTSI KA YETH U LM	ENGCO BO LM	SAKHISIZ WE LM	ELM	TSOLW ANA LM	INKWAN CA LM	INXUBA YETHEM BA LM
Air pollution	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building regulatio	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

ns									
Child Care facilities	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Electricity reticulati on	N/A								
Fire Fighting	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Health Services	Yes	No	No	No	No	No	No	No	No
Municipal Public Transport	Regulati on	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Storm water	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Trading regulatio ns	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water (potable)	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sanitation	Bulk supply	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Schedule 5 part b									
Billboards and the display of adverts in public places	N/A	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes



<b>Cemeteries, Crematoria and funeral parlors</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	<b>Yes</b>
<b>Cleansing</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	<b>Yes</b>
<b>Control of public nuisances</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	<b>Yes</b>
<b>Control of undertakings that sell liquor to the public</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	<b>Yes</b>
<b>Fencing and fences</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Licensing and control of undertakings that sell food to the public</b>	Yes	No	No	<b>No</b>	No	No	No	No	No
<b>Local amenities</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Local sport facilities</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Markets</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Municipal abattoirs</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Municipal parks and</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes

<b>recreational facilities</b>									
<b>Municipal roads</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Noise pollution</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Pounds</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Public places</b>	N/A	Yes	Yes		Yes	Yes	Yes	Yes	Yes
<b>Refuse removal, refuse dumps and solid waste disposal</b>	Management of solid waste sites	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Street trading</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Street lighting</b>	N/A	Yes	Yes	<b>Yes</b>	Yes	Yes	Yes	Yes	Yes
<b>Traffic and parking</b>	N/A	Yes	Yes	<b>yes</b>	N/A	N/A	N/A	N/A	N/A
<b>Licensing of vehicles</b>	N/A	Yes	Yes	<b>Yes</b>	N/A	N/A	N/A	N/A	N/A
<b>Road maintenance</b>	Yes (Agent: DORT)	N/A	N/A	<b>N/A</b>	N/A	N/A	N/A	N/A	N/A
<b>Libraries</b>	N/A	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	Yes

## EMPLOYEE SUMMARY

All Section 56 positions have been filled except for Community Services Manager; the post was re-advertised due to unavailability of a suitable candidate and is an employment equity post.

There are two posts that are on contractual basis other than Section 56 posts, namely Troika Manager and Senior Accountant. The positions are on a five (5) year fixed term contract.

The municipality has adopted the code of conduct As stipulated in schedules 1 & 2 of the Municipal Systems Act. All Councilors and Employees have signed the code of conduct

TOTAL NUMBER OF EMPLOYEES	155	OF THE TOTAL NUMBER OF EMPLOYEES, HOW MANY ARE:			COUNCIL LORS		40		SECTION 56 & SECTION 57 EMPLOYEES			8			CONTRACT EMPLOYEES				2
OFO CODE	OCCUPATI ON CATEGORY	FEMALE			MALE		TOTAL		AGE GROUPS			TOTAL			PWD				NON -SA
		A	C	I	W	A	C	I	W	35 and below	35- 55	>55	AGE	A	C	I	W		
1 - MANAGERS																			
11 - LEGISLATORS																			
111101	Executive Mayor						1				1		1		1				
111101	Speaker	1									1		1		1				
111101	Chief Whip						1				1		1		1				
111101	Member of Mayoral Committee	4					2				6	1	5		6				
111101	Ward Committee/PR Councillor	15						19			34	2	28	4	34				
111301	Traditional Leader (Paid by the										0				0				

	Municipality)																		
111301	Traditional Leader (Paid by The Provincial Dept)					72				72	3	60	9	72					
SUB-TOTAL : LEGISLATORS -		20	0	0	0	76	19	0	0	115	6	96	13	115	0	0	0	0	0
12 - MANAGERS																			
111203	Municipal Manager					1				1		1		1					
111203	Deputy City Manager	2				1				3	1	2		3					
111203	Chief Operating Officer									0				0					
111204	Spokesperson									0				0					
121101	Chief Financial Officer					1				1	1			1					
121102	Payroll Manager									0				0					
121103	Credit Manager									0				0					
121104	Internal Audit Manager									0				0					
121201	Personnel / Human Resources Manager									0				0					
121202	Training and Development Manager									0				0					
121203	Compensation and Benefits Manager									0				0					

121204	Recruitment Manager								0			0					
121205	Employee Wellness Manager								0			0					
121206	Health and Safety Manager								0			0					
121301	Policy and Planning Manager	1							1	1		1					
121902	Corporate Services Manager	1							1	1		1					
121903	Asset Manager								0			0					
121904	Contract Manager								0			0					
121905	Project Manager								0			0					
121908	Quality Systems Manager								0			0					
122103	Director of Marketing								0			0					
122201	Public Relations Manager								0			0					
122301	Research Manager								0			0					
132301	Construction Project Manager				1				1	1		1					
132401	Supply Chain Manager								0			0					
132405	Fleet Manager								0			0					

133101	Chief Information Officer								0				0					
133102	ICT Project Director								0				0					
133105	Information Technology Manager				1				1	1			1					
133106	Information Systems Director								0				0					
134203	Primary Health Organisation Manager								0				0					
134401	Social Services Manager								0				0					
134402	Community Development Manager								0				0					
134901	Environmental Manager								0				0					
134902	Laboratory Manager								0				0					
134904	Officer Manager								0				0					
134907	Archives Manager (Committee Manager)								0				0					
134908	Library Manager								0				0					
134909	Museum Manager								0				0					
134912	Commissioned Fire and Rescue								0				0					

	Officer																	
143104	Arts and Culture Manager								0				0					
143105	Sports Administrator								0				0					
143901	Facilities Manager								0				0					
143904	Security Services Manager								0				0					
143905	Call or Contact Centre Manager								0				0					
143906	Caravan Park and Camping Ground Manager								0				0					
134999	Disaster Management Manager								0				0					
SUB-TOTAL : MANAGERS -		4	0	0	0	5	0	0	0	9	3	6	0	9	0	0	0	0

## 2 - PROFESSIONALS

213301	Conservation Officer								0				0					
213302	Environmental Officer								0				0					
213305	Air Quality Technician								0				0					
213306	Water Quality Technician								0				0					
213307	Park Ranger								0				0					

214201	Civil Engineer								0				0					
214202	Civil Engineering Technologist								0				0					
215101	Electrical Engineer								0				0					
215102	Electrical Engineering Technologist								0				0					
216101	Architect								0				0					
216401	Urban and Regional Planner								0				0					
216402	Transport Analyst								0				0					
222104	Registered Nurse (Community Health)								0				0					
222116	Nurse Manager								0				0					
226301	Environmental Health Officer								0				0					
226302	Safety, Health, Environment and Quality (SHE&Q)								0				0					
241101	Accountant (General)	1							1		1		1					
241102	Management Accountant					1			1		1		1					
241103	Tax Practitioner/Consultant								0				0					



241107	Financial Accountant	1				1				2	2			2				
242102	Work Study Officer									0				0				
242202	Policy Analyst/Researcher									0				0				
242203	Company Secretary	1								1	1			1				
224901	Local Economic Development Officer/Coordinator	1								1	1			1				
224902	Liaison Officer					1				1	1			1				
242207	Compliance Officer (Risk Officer)									0				0				
242208	Organisational Risk Manager									0				0				
242211	Internal Auditor					1				1	1			1				
242302	Skills Development Facilitator/Practitioner					1				1	1			1				
242303	Human Resource Officer					1				1	1			1				
242304	Industrial Relations Officer									0				0				
242307	Recreation Officer					1				1	1			1	1			
242401	Training Officer									0				0				

243201	Media Liaison Officer/Communi- cation Coordinator								0				0				
243203	Director Public Relations								0				0				
243204	Protocol Officer								0				0				
251101	ICT Specialist								0				0				
251302	Web Developer								0				0				
252101	Database Administrator								0				0				
252201	Systems Administrator								0				0				
252301	Systems Engineer								0				0				
252902	ICT Support Services Manager								0				0				
261102	Lawyer								0				0				
262102	Gallery or Museum Curator								0				0				
262201	Librarian	1							1	1		1					
262202	Records Manager								0				0				
263101	Economist								0				0				
263510	Employee Assistance Practitioner	1							1	1		1					

264301	Interpreter								0				0					
264302	Translator								0				0					
331501	Property Valuer								0				0					
341110	Legal Advisor/Officer								0				0					
399999	Disaster Management Coordinator/Officer				1				1		1		1					
SUB-TOTAL : PROFESSIONALS -		6	0	0	0	8	0	0	0	14	5	9	0	14	1	0	0	0
3 - TECHNICIANS AND TRADE WORKERS																		
311101	Chemistry Technician								0				0					
311201	Civil Engineering Technician				2				2	2			2					
311203	Town Planning Technician	1							1	1			1					
311301	Electrical Engineering Technician								0				0					
311501	Mechanical Engineering Technician								0				0					
311801	Draughtsperson								0				0					
311904	Quantity Surveying Technician								0				0					
312301	Building Construction Supervisor								0				0					

313201	Water Plant Operator	6				6				12	10	2		12				
313202	Waste Materials Plant Operator									0				0				
314101	Microbiology Technician									0				0				
314102	Environmental Science Technician									0				0				
325701	Environmental and Occupational Health Inspector									0				0				
335913	Building Site Inspector									0				0				
343101	Photographer									0				0				
351301	Computer Network Technician					1				1	1			1				
351302	Geographic Information Systems Specialist/Technician									0				0				
351401	Website Administrator									0				0				
611302	Parks Caretaker /Groundskeeper									0				0				
611304	Horticulturist									0				0				
641201	Bricklayer									0				0				
641301	Stonemason									0				0				

642601	Plumber (General)					3				3	1	2		3					
642605	Plumbing Inspector								0					0					
653101	Automotive Motor Mechanic								0					0					
653303	Fitter (General)								0					0					
671101	Electrician (General)								0					0					
671202	Millwright (Electromechani cian)								0					0					
671302	Technical Cable Jointer								0					0					
SUB-TOTAL : TECHNICIANS AND TRADE WORKERS -		7	0	0	0	12	0	0	0	19	1 5	4	0	19	0	0	0	0	0
4 - COMMUNITY AND PERSONAL SERVICE WORKERS																			
323102	Ancillary Health Care Worker								0					0					
325802	Paramedic								0					0					
341201	Community Development Worker								0					0					
342201	Sports Development Officer								0					0					
SUB-TOTAL : COMMUNITY AND PERSONAL SERVICE WORKERS -		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 - CLERICAL AND ADMINISTRATIVE WORKERS																			

331301	Finance Clerk/Administrator				1			1	1			1					
332302	Procurement Clerk	1			1			2	2			2					
333905	Supply Chain Practitioner				1			1		1		1					
334101	Officer Supervisor							0				0					
334102	Office Administrator	1						1		1		1					
334201	Legal Secretary							0				0					
334302	Executive Assistant							0				0					
335401	Driver Licensing Examiner/Office r	1			1			2		2		2					
411101	Administrative Assistant	3			2			5	2	3		5					
412101	Secretary (General)	2						2	1	1		2					
413101	Typist							0				0					
413201	Data Capturer							0				0					
422206	Call or Contact Centre Agent							0				0					
422301	Switchboard Operator							0				0					
422501	Client Liasion Officer							0				0					

422601	Receptionist (General)	1								1	1			1					
431101	Accounting Clerk									0				0					
431103	Taxation Clerk									0				0					
431301	Payroll Clerk	1								1	1			1					
432101	Stock/Stores Officer	1								1		1		1					
441101	Library Assistant	1								1		1		1					
441501	Records Clerk / Coordinator	1								1	1			1					
441502	Office Machine Operator									0				0					
441601	Human Resource Clerk	1								1	1			1					
441602	Skills Development Administrator									0				0					
441902	Contract Administrator									0				0					
441903	Programme / Project Coordinator									0				0					
441905	Communication Officer / Assistant									0				0					
672206	Radio Operator									0				0					
<b>SUB-TOTAL : CLERICAL AND ADMINISTRATIVE WORKERS -</b>		<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

6 - SALES AND SERVICE WORKERS																		
511301	Gallery / Museum Guide								0				0					
511302	Tour Guide								0				0					
515301	Caretaker				1				1			1	1					
516401	Animal Attendant								0				0					
516403	Zookeeper/Zoo attendant								0				0					
523102	Cashier	2			1				3	2	1		3					
541101	Fire Fighter				1				1		1		1					
541201	Traffic Officer	1			1				2		2		2					
541202	Police Officer								0				0					
541401	Security Officer				2				2			2	2					
541901	Lifeguard								0				0					
541902	Emergency Service and Rescue Official								0				0					
SUB-TOTAL : SALES AND SERVICE WORKERS -		3	0	0	0	6	0	0	0	9	2	4	3	9	0	0	0	0
7 - MACHINERY OPERATORS AND DRIVERS																		
732101	Driver				2				2	1	1		2					
732201	Chauffeur								0				0					



732203	Emergency Vehicle Driver								0				0					
733101	Bus Driver								0				0					
733201	Truck Driver (General)					10			10		5	5	10					
733209	Road Marker								0				0					
734201	Earthmoving Plant Operator								0				0					
734204	Excavator Operator								0				0					
734205	Grader Operator					1			1		1		1					
SUB-TOTAL : MACHINERY OPERATORS AND DRIVERS -		0	0	0	0	13	0	0	0	13	1	7	5	13	0	0	0	0
8 - ELEMENTARY WORKERS																		
811201	General Worker								0				0					
811203	Tea Attendant								0				0					
811204	Caretaker/cleaner	5							5	1	4		5					
812902	Swimming Pool Cleaner					1			1		1		1					
821401	Garden Worker					1			1		1		1					
831301	Builders Worker								0				0					
831302	Drainage, Sewerage and Storm Water Worker					4			4		4		4					

831303	Earthmoving Worker								0				0					
831304	Plumbers Assistant				2				2		2		2					
861101	Recycling / Rubbish Collector	14			24				38	4	23	11	38					
862202	Handyperson				1				1		1		1					
862301	Meter Reader				3				3		3		3					
862918	Electrical / Telecommunications Trades Assistant								0				0					
862919	Mechanics Assistant								0				0					
SUB-TOTAL : ELEMENTARY WORKERS -		19	0	0	0	36	0	0	0	55	5	39	11	55	0	0	0	0
TOTAL									254		TOTAL	254	1		0	0	0	0

### Organisational Structure

The municipality reviews organogram on annual basis; the 2013/14 organogram was reviewed and adopted by Council on the 31 May 2013. It has 254 total posts of which 163 are filled and 91 are unbudgeted for. The Municipality is in a process of reviewing the 2014/15 organogram.

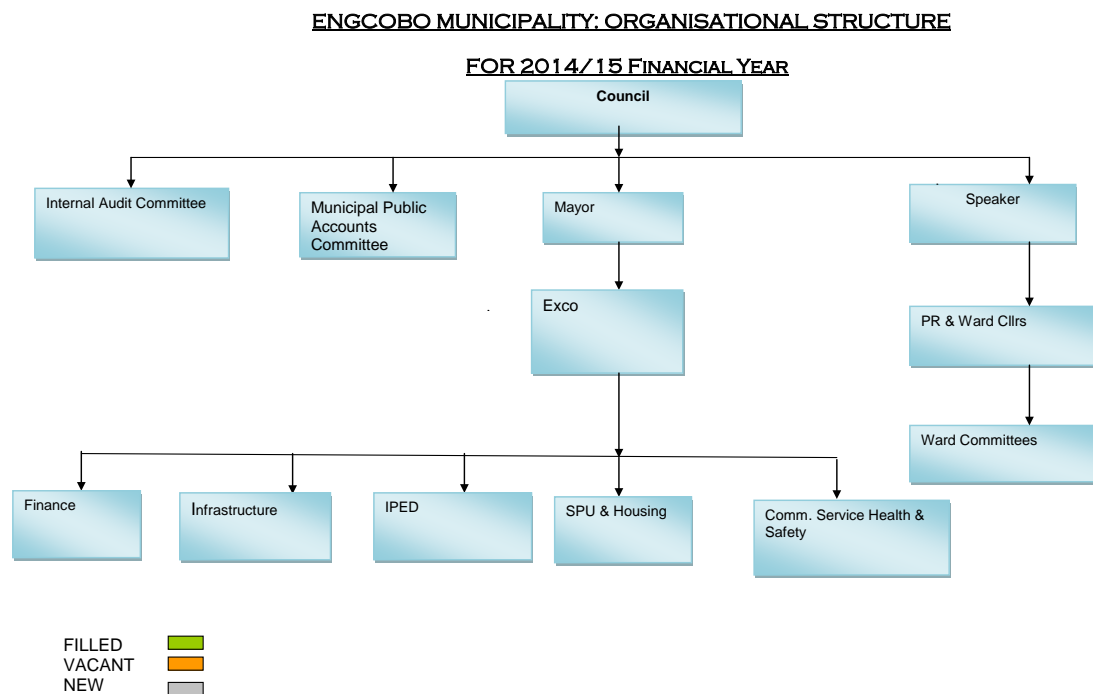
All posts in the organizational structure have available job descriptions and they are in the process of being evaluated.

This section will deal with the following key focus areas:

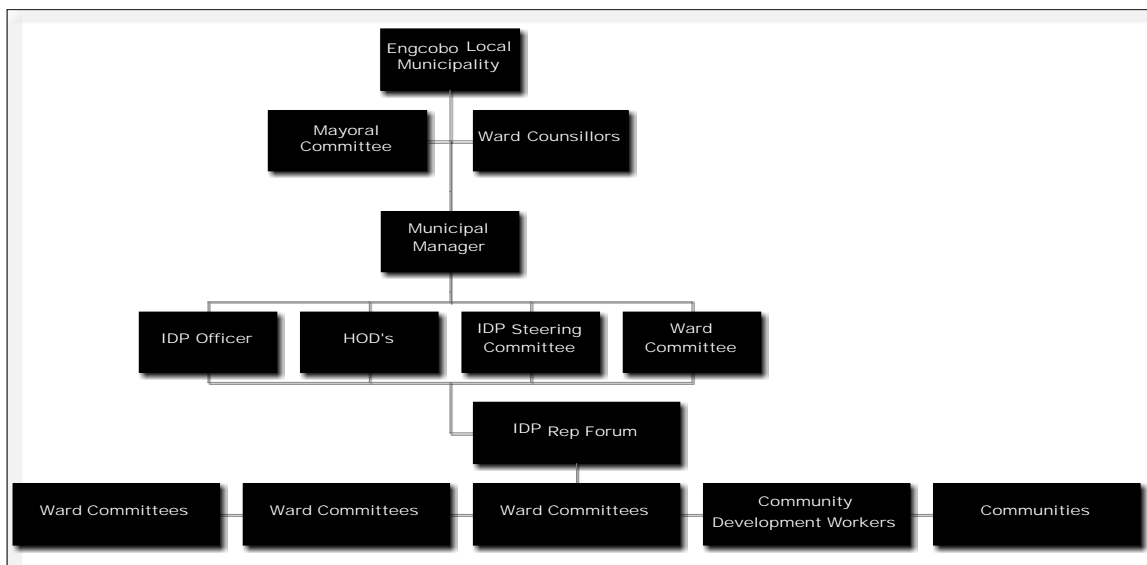
### Organizational structure of Engcobo Local Municipality: Council Structure

The Municipal Council is chaired by the Mayor and has the following role in the IDP review process;

- Oversee the development and adoption of the IDP review;
- Adopt final Integrated Development Plan and Budget;

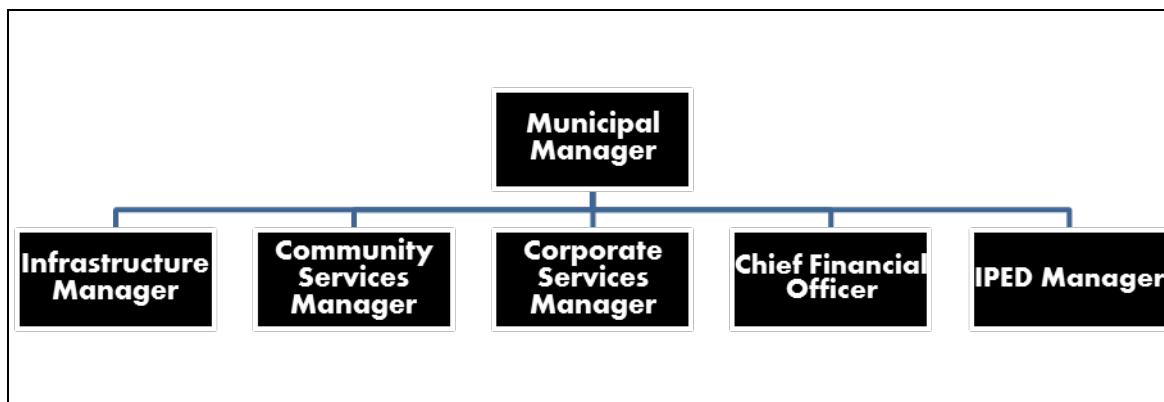


The roles and responsibilities of the various parties involved in the IDP Revision are listed below:



Engcobo Local Municipality has an organizational structure albeit it not aligned to the IDP. The organizational structure comprises of a total of 164 funded posts. However, the organizational structure in its current format requires a review as it is not process driven and limits upward mobility and job descriptions need to be compiled. Of these funded posts, 6 were vacant as at 30 May 2014. Engcobo Local Municipality has an office for the Municipal Manager and 5 Directorates.

**The Senior Management structure of the municipality is illustrated by the Organogram;**



## **Employment Equity Plan**

Employment Equity Act (EEA) 55 of 1998 is meant to drive equality in the workplace through equitable representation of employees from designated groups to broadly reflect the national demographics of the Economically Active Population (**EAP**). The Act is intended to ensure that workplaces are free of discrimination and that employers take active steps to promote employment equity. Chapter 3 of the Act requires employers to take certain affirmative action measures to achieve employment equity. These are set out in an Employment Equity Plan.

Engcobo Local Municipality has developed a 5 year Employment Equity Plan, which was developed in 2010 and will expire in 2015. The municipality is doing well in addressing employment equity in terms of gender and this will be alluded to in the paragraph below.

The municipality has six Senior Manager Positions including the Municipal Manager, three (3) of which are filled by males. Currently there are two (**2**) female Senior Managers (Section 56) and the municipality is currently looking for a third one. The third female manager position will be filled in July 2014 to address employment equity plan.

Persons appointed at top management level (0-1) are all from designated group, this is 100% in terms of race. 40% constitutes of females in top positions however there is still vacancy available which will be filled by a female to make 50% representation.

The females in the whole institution constitute 30.67% and there are still vacancies to be filled. Concerted efforts are in place to attract more; Engcobo Local Municipality therefore remains committed to attracting suitable qualified, dedicated personnel by endeavouring to achieve defined equity targets. There is still a room for improvement when it comes to meeting target of people with disabilities as they only constitute **1 %** of the total workforce.

## **Delegation System**

A system of Delegation, with a Delegation Matrix, is in place and utilised in guiding how the transfer of authority from the Municipal Manager to a delegated official takes place. This allows for consistent oversight and decision making in the daily administration of the municipality.

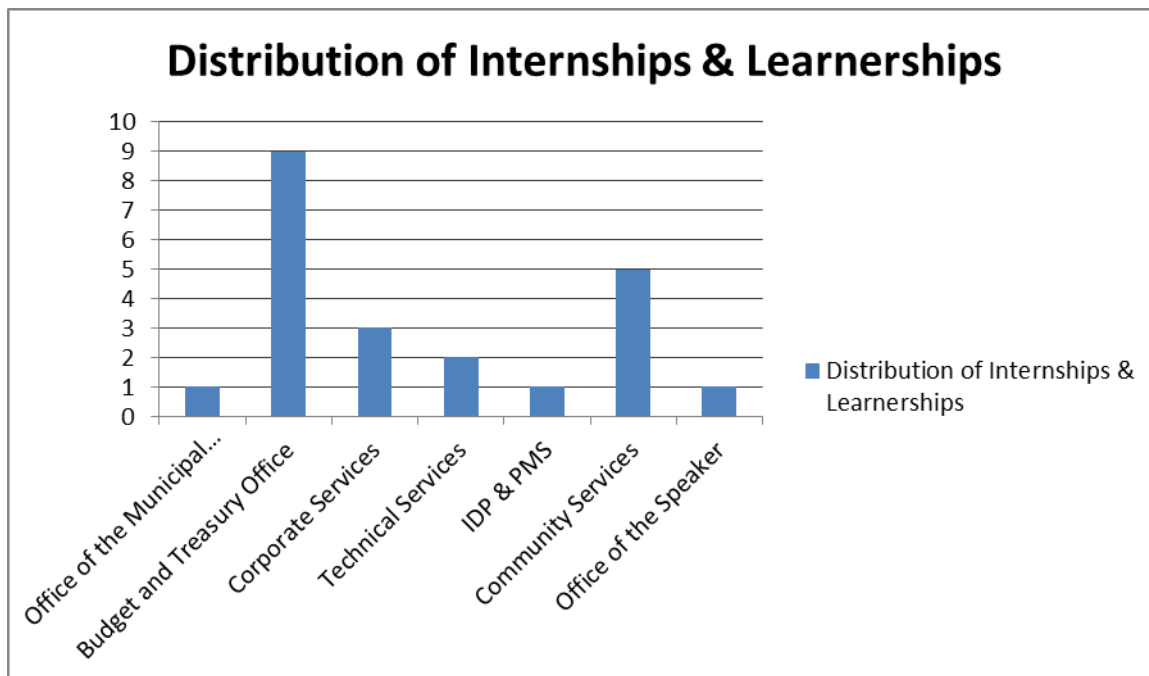
## **Human Capital and Skills Development**

### **Skills Development**

Skills development of human capital is one of Engcobo Local Municipality's priorities. To this effect, Engcobo Local Municipality annually develops a Workplace Skills Plan which sets out the training needs and plans for the financial year for Councillors and staff. The Employment Equity and Training Committee is in place and functional. Skills audit has been undertaken prior to the development of a Workplace Skills Plan. WSDP 2014/15 has been developed and submitted to LGSETA before April 30, 2014

At present, Engcobo Local Municipality has also implemented further human resources development initiatives such as Learnerships, internships and in-service training of students as well as bursaries to both members of the public and staff members.

The distribution of internships and Learnerships in illustrated in the following graphic;



The following are some of the challenges facing the Learnerships and internship programme;

- a) Confusion between Learnerships and internships.
- b) Limited capacity

The municipality has also offered bursaries to one (1) destitute qualifying student to pursue studies in Finance and apply their skills at the municipality upon graduating.

### Employee Health and Wellness

Engcobo Local Municipality needs to comply with the requirements of the Occupational Health and Safety Act of 1993, and regulations, to provide for the Health and Safety of persons at work. All injuries must be investigated by Management in order to determine preventative measures and necessary action to rectify below standard work environment and employee behaviour.

The following are some of the challenges Occupational Health and Safety;

- a) The municipality for a long time had no Health and Safety Committee and thus could not keeps track of any outstanding accident reports or outstanding accident prevention measures that need to be implemented; however the Committee has just been established.

- b) Safety committee structures are not in place in all Departments and Safety representatives and Committee members were never appointed.
- c) There is no Occupational Health Services currently, however this has been addressed as the post has been created in the organogram and adopted by the Council of the 28 March 2014.
- d) The OHS Policy is in a draft form and will be presented to Council before the end of June 2014

### **Performance Management**

The municipality has a functional performance management system and is being fully implemented. Performance management is only limited to Section 56 and fully aligned with IDP. An attempt to cascade performance management system to managers below s56 was taken but to no avail. The case was handled by LLF and the Union; the decision has been made to refer it to this financial year.

### **Information and Communication Technology**

Engcobo Local Municipality's Information Communication Technology (ICT) division is responsible for providing Information, Communication and Technology support services to its internal clients.

From time to time, the Municipality engages in various initiatives with the intention of enhancing Information and Communication Technologies services that are delivered to support its delivery objectives.

The municipality currently runs its operations on the following IT platforms;

#### **A. Promun Financial System**

A Linux based program integrated with the windows operating systems. It's mainly used by the finance and human resource departments and only relies on the technical part on the IT departments. It's not an internet based system which makes it highly secured as its sever managed with the use of secured passwords renewed monthly and it's also assigned under the domain policies where you have to enter your password not more than three times before its locked.

#### **B. Internet Services**

Supplied by a contracted service provider by means of an ADSL solution 1MB every month. It has been programmed as a firewall for in and outgoing dials, VPN or remote access by means of a strong and guaranteed encrypted username and password.



### **C. Exchange Solution**

This is the solution only based on electronic mail system. The municipality manages this solution and gets access to the outside by means of an ADSL solution with an anti-spam and firewall configured and encrypted for security reasons.

### **D. Integrated Service Access**

Integrated Service Access (ISA), this solution is a server based solution which acts as a link between users and the web. It's a secured firewall that adds and removes unsecured websites for the purpose of dangerous web programs.

### **Processes and Procedures**

Some processes and procedures were derived from policies that are currently outdated and are therefore also outdated and require review.

### **Municipal Facilities**

Most municipal facilities such as buildings and offices are not in a good functioning state and do not support operational efficiency.

### **Local Labour Forum (LLF) Functionality**

The municipality has a functional LLF that meets on monthly basis. The forum consists of two Managers, three Councillors and five members of labour union.

Nevertheless the challenge from the Union members who often do not attend the LLF meetings remains and leads to postponement of meetings. The last LLF meeting was on February 2014.

### **Attraction and Retention Strategy**

The municipality has a Retention policy adopted in May 2013. The aim is to attract and retain scarce skills through benefits and skills development initiatives.

### **Succession Plan**

The municipality has developed a succession plan and it has been adopted by Council on 30 May 2014. The purpose of the plan is to make the necessary arrangements to ensure that suitably qualified people are recruited to fill relevant positions which will arise within any specific department over time and also to retain institutional memory.

### **EPWP Policy**

The draft policy has been developed during the current financial year and will be adopted by Council before end of the financial year.

## 5.2 KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT AND SEDRVIC DELIVERY

### Comprehensive Infrastructure Plan

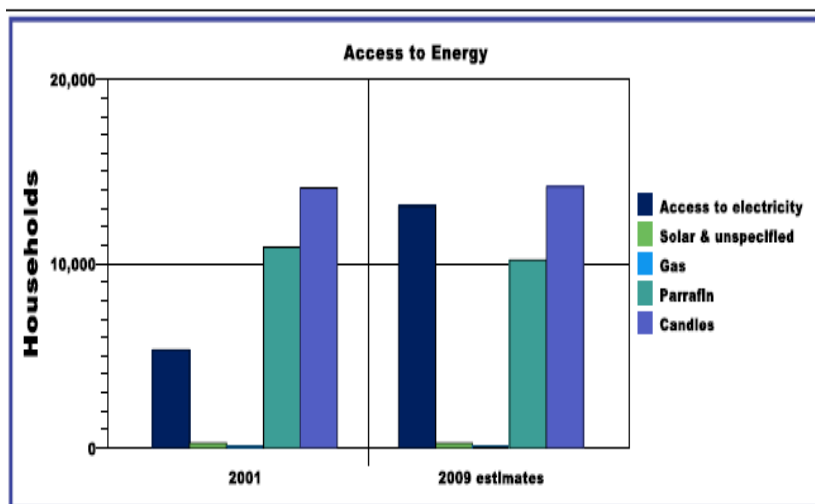
The municipality has not yet developed its CIP document, however has made input into the district wide CIP that was prepared by DPLGTA.

### Energy and Electricity Efficiency

The municipality currently does not have an electricity distribution license and thus energy efficiency is the function of Eskom; it is provided directly by Eskom to the municipality, local businesses, other government departments as well as residents. The provision is on both prepaid and contract basis. Electricity infrastructure is being rolled out at different wards through grant funding from the Department of Energy.

### Means of energy

In 2009 Eskom embarked on a rural electrification programme to include areas in the Engcobo. The number of households with access to electricity is increasing as every year there are new connections that are connected on to the Eskom grid. The project has seen increases in connections from 55% to 73% from 2009 to 2012. A total of about 3,000 households is expected to be energised before the end of 2014/15. The backlog for electrification is currently about 7258 households..



Source | ECSECC, Graphic | Executive Insights

	2001	2009 estimates
Access to electricity	5,351	13,135
Solar & unspecified	281	285
Gas	123	109
Paraffin	10,908	10,203
Candles	14,128	14,186

Project Name	Type of project (Households/Bulk infrastructure/Farm Worker Houses / Schools)	Allocation	Connections
<b>ENGCOBO RURAL ELECTRIFICATION</b>			
Lower Qebe	Households	R 2 556 974,00	Capital
		187	Connections
New Rest	Households	R 560 620,00	Capital
		41	Connections
Sinqumeni and Sigangeni	Households	R 7 233 366,00	Capital
		529	Connections
Mkhonkoto (Jalisa, Nqala)	Households	R 1 367 366,00	Capital
		100	Connections
Gutyubeni (Mjanyana Quluqu)	Households	R 2 119 417,00	Capital
		155	Connections
Cobosi(Ngcelelo-Mjanyana Quluqu)	Households	R 4 033 729,00	Capital
		295	Connections
Silevini Komkhulu (Ward 4)	Households	R 1 039 191,00	Capital
		76	Connections
Mageza (Ward 4)	Households	R 2 365 543,00	Capital
		173	Connections
Tafeni (Ward 4)	Households	R 1 845 944,00	Capital
		135	Connections
Luhewini (Ward 4 Mjanyana)	Households	R 1 914 312,00	Capital
		140	Connections
Sitholeni Phase 2 (Mboleni, Bula, Kwandlana)	Households	R7 000 000,00	Capital
		500	Connections
Cobosi (Cobosi, Phillipsdale)	Households	R3 500 000,00	Capital
		400	Connections
<b>Municipal Totals</b>		<b>R 35 536 462,00</b>	<b>Capital</b>
		<b>2731</b>	<b>Connections</b>
Project Name	Type of project (Households/Bulk infrastructure/Farm Worker Houses / Schools)	Allocation	Connections
Kwadala	Households	R 2 903 850,00	
		243	Connections
Mafusini	Households	R 740 900,00	Capital
		62	Connections
Talení	Households	R 1 493 750,00	Capital
		125	Connections
Mageza	Households	R 3 477 450,00	Capital

		291	Connections
Tafeni	Households	R 836 500,00	Capital
		70	Connections
Zabasa	Households	R 2 330 250,00	Capital
		195	Connections
Masimini	Households	R 597 500,00	Capital
		50	Connections
Handy Plaas	Households	R 179 250,00	Capital
		15	Connections
Ntsinga	Households	R 1 732 750,00	Capital
		145	Connections
Dulati	Households	R 836 500,00	Capital
		70	Connections
Kwaxoxo	Households	R 3 286 250,00	Capital
		275	Connections
Maqanda	Households	R 657 250,00	Capital
		55	Connections
Ngcacu	Households	R 1 015 750,00	Capital
		85	Connections
Ezantsi	Households	R 537 750,00	Capital
		45	Connections
Mwaca	Households	R 3 465 500,00	Capital
		290	Connections
Bekeleni	Households	R 3 166 750,00	Capital
		265	Connections
Qanguleni	Households	R 2 987 500,00	Capital
		250	Connections
Eqolweni	Households	R 573 600,00	Capital
		48	Connections
Mjikelwni	Households	R 4 720 250,00	Capital
		395	Connections
Quluqu	Households	R 2 019 550,00	Capital
		169	Connections
Dandazile	Households	R 2 449 750,00	Capital
		205	Connections
<b>Municipal Totals</b>		<b>R 37 104 750,00</b>	<b>Capital</b>
		<b>R 3 348,00</b>	<b>Connections</b>

## **Roads and Storm water Infrastructure**

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### **Roads Infrastructure**

The road network is one of the key components of the transportation system. The road network has a huge backlog and construction of access road does not meet the demand. At the same time the maintenance of road infrastructure is a challenge. The road network has not yet been classified as require by the legislation. The department of roads and public works has been request the assist as well as MISA.

Capital allocations are always insufficient and only a small percentage of the road network is adequately maintained or upgraded on an annual basis.

For the next two financial years **R185 million** is required for rehabilitation of surfaced roads so as to extend their life.

The municipality has developed a Three (3) Year Capital Plan which reflects extensively on all roads that still need to be constructed. The capital plan was subjected to public participation during the 2013/2014 IDP review.

### **Storm water Infrastructure.**

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

### Infrastructure Projects (Three Year Capital Plan) (No EIA requirement)

Form ID No (if available)	Project Name	Ward		Component	Projects Category	FINANCIAL YEAR				Project Status	Comments
						2013-2014	2014-2015	2015-2016	2016-2017		
R/EC/7151/09/13	UPGRADING OF NGCOBO ROADS AND STORMWATER	1		B	ACCESS ROADS	7 480 000.00				CONSTRUCTION	
R/EC/6616/09/10	CLARKBURY ACCESS ROAD	2		B	ACCESS ROADS	2 961 955.46				CONSTRUCTION	
181534	NDULWINI HLABA ACCESS ROAD	3		B	ACCESS ROADS	2 228 410.49				CONSTRUCTION	
CS/EC/7253/09/12	ENGCOBO LANDFIL	4				-				PLANNING	
212970	MTWAZA ACCSEE ROAD	5		B	ACCESS ROADS	2 240 118.61				CONSTRUCTION	
210080	MASONWABE NATHI ACCESS ROAD	6		B	ACCESS ROADS	5 854 677.72				CONSTRUCTION	
195427	SILINDINI TO HALA ACCESS	7		B	ACCESS	2 400				CONSTR	

	ROAD				ROADS	740.0 1				UCTION	
184688	MSINGATHI ACCESS ROAD	9		<b>B</b>	ACCESS ROADS	2 521 846.3 8				CONSTR UCTION	
R/EC/6661/ 09/09	ZANDUGENI ACCESS ROAD	10		<b>B</b>	ACCESS ROADS	2 447 684.8 4				CONSTR UCTION	
	Ward 11 Makaleni( Macebeni- Komkhulu)	11		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 19 Ngwemnyama -Upper Gqaga	19		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 03 Dlomo Via Dabulingwe - Bekileni	3		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 06 Tafeni	6		<b>B</b>	ACCESS ROADS		83000 0				
	Ward 17 Didi Evenkileni- Gubenxe- Ntsinana	17		<b>B</b>	ACCESS ROADS		25000 00				
	Ward 10 Ttholweni- Mcinga	10		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 04 Madasa	4		<b>B</b>	ACCESS ROADS		20000 00				

	Ward 05 Ngqokoto- Ngcacu School	5		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 02 Nkomponi Via Mqonci J.S.S- Zweloxolo P.J.S	2		<b>B</b>	ACCESS ROADS		10000 00				
	Ward 13 Lubisi- Nkencezi	13		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 07 Nkalweni- Ntwashini	7		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 08 KwaDlomo- Gubenxa	8		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 16 Manuneni- Mbhashe	16		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 18 Tribal-Zibute	18		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 14 Caca	14		<b>B</b>	ACCESS ROADS		10000 00				
	Ward 12 Nombewu- Komkhulu	12		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 01 Ntimeni- Roma- Komkhulu	1		<b>B</b>	ACCESS ROADS		20000 00				



	Upgrading	12		<b>B</b>	ACCESS ROADS		40000 00				
	Ward 01 Nxamagele- Mandlaneni	1		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 02 Cwecweni- Xonya	2		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 03 Shushwane- Mazizini	3		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 04 Mafilika-Lalini	4		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 05 Malangazana- Maqanda	5		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 06 Ngqaba- Ngxebe	6		<b>B</b>	ACCESS ROADS		10000 00				
	Ward 07 Qolweni- Zamxolo P.J.S	7		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 08 Tshatshu- Emampingeni	8		<b>B</b>	ACCESS ROADS		20000 00				
	Ward 10 Mxesibe	10		<b>B</b>	ACCESS ROADS		15000 00				
	Ward 11 Sinaba- Chefane	11		<b>B</b>	ACCESS ROADS		10000 00				

	Ward 12 Maabo J.S.S- Diphini	12		<b>B</b>	ACCESS ROADS			10000 00			
	Ward 13 Komkhulu Upper Sitholeni Via Lower Sitholeni	13		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 14 Ndungunyeni- Farming	14		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 16 Zihlangu- Mandlaneni	16		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 17 Mbashe Bridge- Ndim- Mamfeneni	17		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 18 Tshapile- Upper Gqobonco- Yawa	18		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 19 Mgudu- Makhumeni	19		<b>B</b>	ACCESS ROADS			20000 00			
	Ward 09 Sgangani- Luxeni	9		<b>B</b>	ACCESS ROADS			25000 00			
	Ward 15 Gxojeni- Siphambukeni	15		<b>B</b>	ACCESS ROADS			20000 00			

	Ward 20 Zabegilana	20		B	ACCESS ROADS			20000 00			
	High Mast Lighting	11		P	STREET LIGHTING	1 200 000.0 0		1 200 000.0 0			
	Nxamagele PJS- Mandlaneni	1			ACCESS ROAD				2 000 000		
	Cwecweni- Mzwini	2			ACCESS ROAD				2 000 000		
	KwaDlomo- Bekileni	3			ACCESS ROAD				2 000 000		
	Ntshingeni	4			ACCESS ROAD				2 000 000		
	Mgwali- Ngqokoto	5			ACCESS ROAD				2 000 000		
	Ngqaba- Ngxebe	6			ACCESS ROAD				2 000 000		
	Qolweni- Zamuxolo	7			ACCESS ROAD				2 000 000		
	Mgudlwa- Mzangweni	8			ACCESS ROAD				2 000 000		
	Manzana- Tar road	9			ACCESS ROAD				2 000 000		
	New Town -	10			ACCESS				2 000		

	Sdadeni				ROAD				000		
	Nontwintwa-Dipini	11			ACCESS ROAD				2 000 000		
	Nombewu-Komkhulu	12			ACCESS ROAD				2 000 000		
	Qutubeni-Mdeni	13			ACCESS ROAD				2 000 000		
	Zwelidumile-Ndzukuma	14			ACCESS ROAD				2 000 000		
	T226 via Gingqi-mrhotshozweni	15			ACCESS ROAD				2 000 000		
	Bhashe school- Siviwe	16			ACCESS ROAD				2 000 000		
	Mandlaneni - Zwelilunghile	17			ACCESS ROAD				2 000 000		
	Ntlazi-Cekhwe	18			ACCESS ROAD				2 000 000		
	Loyi-Nogqala eMkhonkoto	19			ACCESS ROAD				2 000 000		
	Nqancule	20			ACCESS ROAD				2 000 000		
	Community Halls	2		B	COMMUNITY HALLS		2 500 000.00				

	Community Halls	4		B	COMMUN ITY HALLS			2 500 000.0 0			
	Community Halls	7		B	COMMUN ITY HALLS			2 500 000.0 0			
	Community Halls	13		B	COMMUN ITY HALLS		2 500 000.0 0				
	Community Halls	19		B	COMMUN ITY HALLS			2 500 000.0 0			
	Sports Facility	3		B	SPORTS FACILITY		2 600 340.0 0				
	Sports Facility	5		B	SPORTS FACILITY			2 600 340.0 0			
	Sports Facility	8		B	SPORTS FACILITY		2 600 340.0 0				
	Sports Facility	20		B	SPORTS FACILITY			2 600 340.0 0			
	Rural Electrification	4			COMMUN ITY LIGHTING	5 000 000.0 0					
	Rural Electrification	5			COMMUN ITY	2 500 000.0					

					LIGHTING	0					
	Rural Electrification	6			COMMUNITY LIGHTING	2 500 000.00					
	Rural Electrification	13			COMMUNITY LIGHTING	5 000 000.00					
	Rural Electrification	14			COMMUNITY LIGHTING	5 000 000.00					
	Rural Electrification	19			COMMUNITY LIGHTING	5 000 000.00					
	Rural Electrification	20			COMMUNITY LIGHTING	5 000 000.00					

### Infrastructure Capacity

The department responsible for infrastructure is fully flaged as per the municipal organogram. All projects to be implemented are funded and external contractors will be sourced to implement and municipal resources (personnel and equipment) will be used to maintain municipal roads and asserts. The municipality does not have a Project Monitoring Unit (PMU) and the department undertakes the duties inclusive of Project Initiation and ISD functions.

### Water and Sanitation Infrastructure

This infrastructure is provided by the District Municipality and maintained by the Engcobo Local Municipality through a SLA(service level agreement) as the local municipality is the WSP (water service provider) and the district is the WSA (water service authority) The agreement bêtween the two local spheres of government has been in exsistance since the 2011/12 financial year.

## Water and Sanitation Services and Customer Care

### Water and Sanitation Services

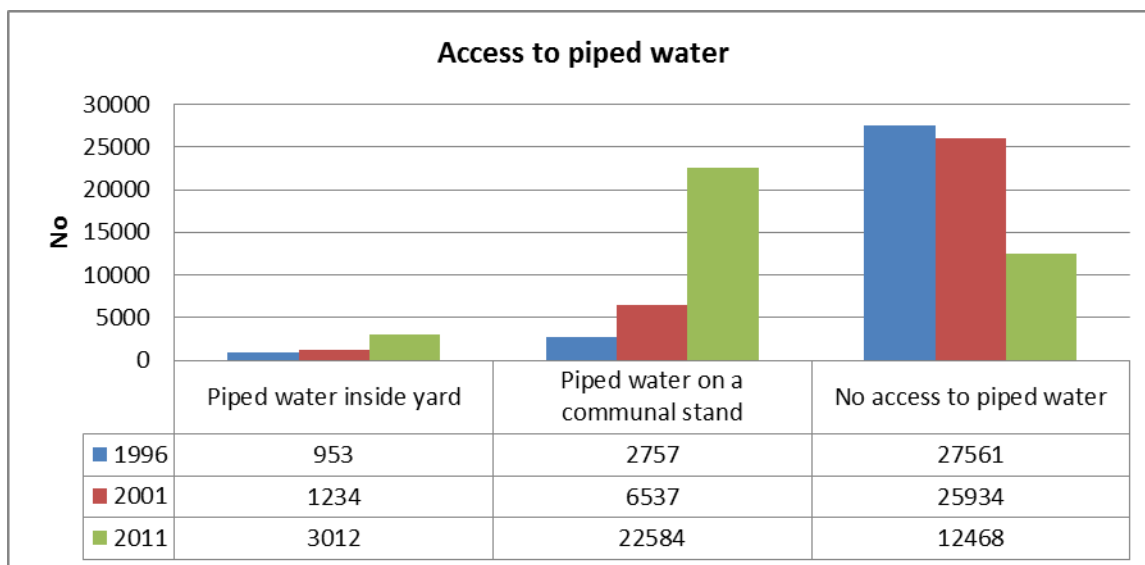
Provision and governance of water and sanitation services in all our areas is a competence of the district municipality. The Chris Hani District Municipality is a Water Services Authority, (“**WSA**”), whilst Engcobo Local Municipality is a Water Service Provider, (“**WSP**”).

The relation is governed through a medium of a service level agreement (“**SLA**”) between the two parties. Our role, on an agency basis is that of a service provider.

In order to achieve one of the Millennium Development Goals, (“**MDG**”), the water network and distribution has been extended to cover more than 20, 000 households in the area of Engcobo Local Municipality.

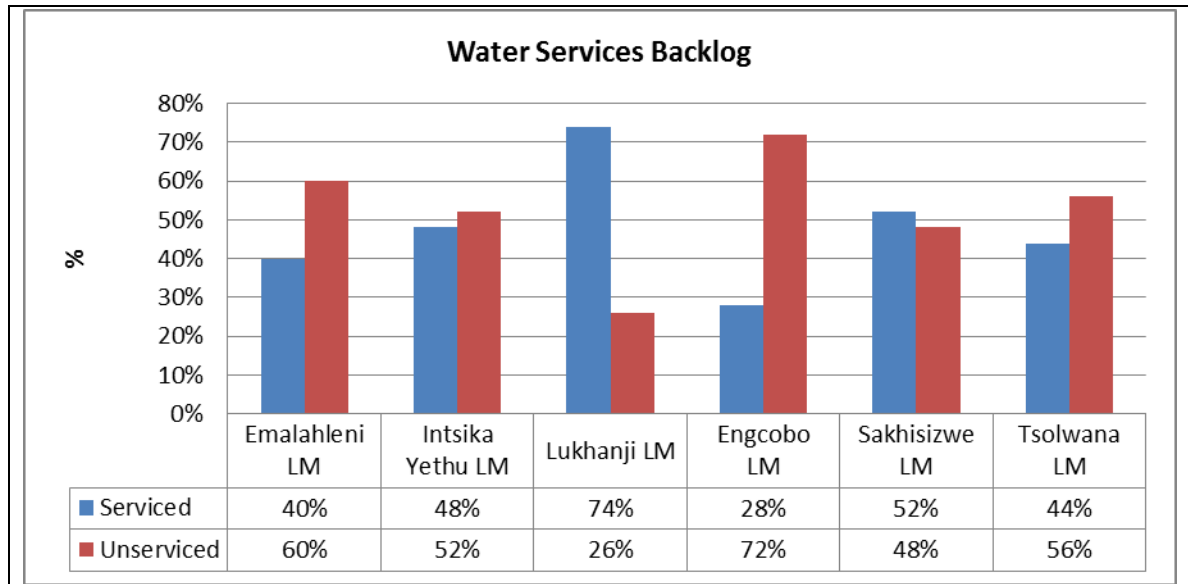
The figures below give a comparison of household access to different levels of service for water and sanitation:

Access to Water by household can be illustrated as follows:



The ELM uses the CHDM WSDP and is in the process of developing its own as the appointment of the service provider.

The following estimate of the extent of water service delivery backlogs has been derived from Chris Hani DM data on village service levels.



*Source: Chris Hani DM Community Service Level Data 2007 escalated to 2012 estimated population levels and updated to incorporate projects completed since 2011 WSDP*

### Water Supply

The municipality currently sources its raw water from Xuka River, Chefane River, Ngcotyana River and boreholes and purifies it at its Water Treatment Works which also contains a storage back-up.

The CHDM has done a water provision plans and came up with the Cluster programme which will see different Water Augmentation Schemes being integrated.

### Water Demand Management

The municipality has had a relatively large incidence of 'water loss' or non-revenue water. This occurs either through physical losses (leaks etc.), billing inaccuracies, users who are not on the database or illegal connections and faulty water meters. The result is an unnecessary demand on water resources, wastage of water and loss of income.

### Sanitation Services

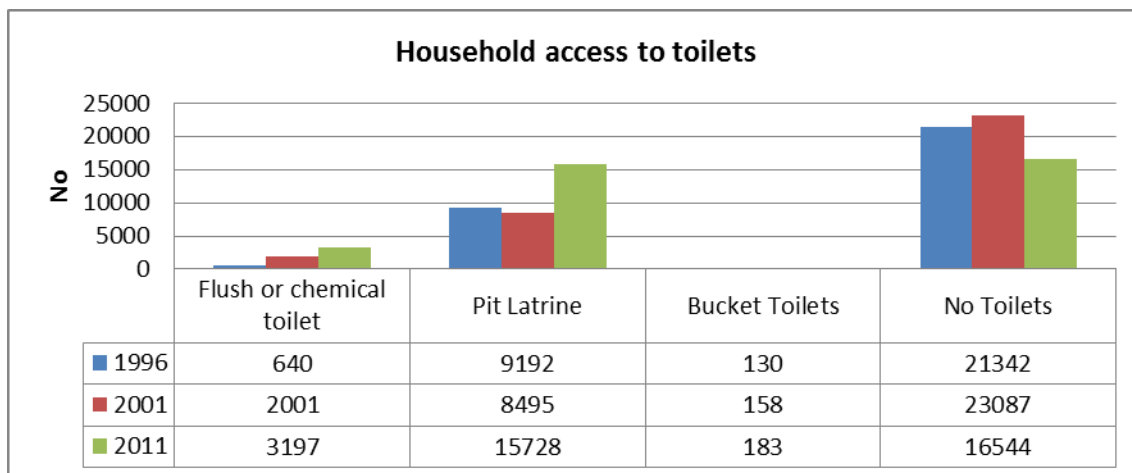
The municipality uses Oxidation ponds and they are near capacity are currently being refurbished. There are plans underway for a new WWTW (waste water treatment works). There



is no deferred maintenance on the sewer system and minimum maintenance done due to the new WWTW.

### Access to Sanitation Services

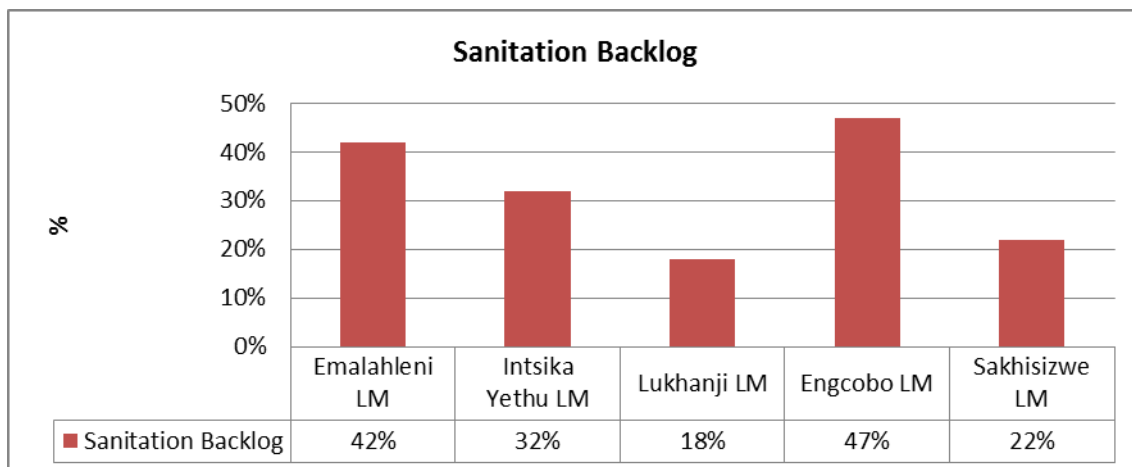
The municipality provides a supply of waterborne sanitation services through sewers provided that there are sufficient water resources and infrastructure to sustain such a service.



About 45% of the ELM population does not have access to either sanitation infrastructure or services. The consequence of lack of proper sanitation infrastructure and services will result in raw sewerage running on the streets, mixing with litter and garbage and contributing to environmental damage and spread of diseases.

### Sanitation Services Backlog

According to the CHDM WSDP 2012 (*Sanitation Services Backlog, Page 9 of 143*), the current sanitation services backlog per municipality has been measured as follows;



The biggest proportion of the CHDM population with a high share of sanitation services backlog resides at Engcobo LM followed by Emalahleni and Intsika Yethu LM respectively. This could be attributed to spatial size of these municipalities and the fact that they are highly rural in nature. This trend is similar to the water services backlog, which is highest in the same municipalities.

## Water and sanitation

The table below illustrates the extent of backlogs on the provision of water to households and also highlights the need for effective management of the current sources to ensure healthy households, especially in relation to the 25% of the population that relies on river streams and the 19% of the population that relies on spring water. (IDP, 2012 – 2017).

### a. Water

Source	%
Water vendor	0
Rain water tanks	2
Other	0
Piped water inside dwelling	7
Piped water inside yard	4
Piped water from access point outside yard	41
Borehole	2
Spring	19
Dam / pool	0
River / stream	25
<b>Total</b>	<b>100</b>

### *Percentage of household water sources*

### b. Sanitation

The backlog for sanitation is about 58%. The provision of sanitation services is illustrated in the following table:

Facility	2008		2009		2010		Year on year growth
	Number	%	Number	%	Number	%	%
Flush or chemical toilet	2163	6.9%	2245	7.1%	2327	7.3%	3.80%
Pit latrine	7620	24.4%	7575	24.1%	7530	23.8%	-0.60%
Bucket latrine	156	0.5%	158	0.5%	160	0.5%	1.30%
None	21274	68.1%	21463	68.2%	21652	68.3%	0.90%
Unspecified	37	0.1%	36	0.1%	34	0.1%	-4.10%
<b>Total</b>	<b>31250</b>	<b>100.0%</b>	<b>31477</b>	<b>100.0%</b>	<b>31703</b>	<b>100.0%</b>	<b>0.70%</b>

***Percentage of sanitation provision services sources***

The high proportion of households who have no access to flush/chemical toilet, pit latrine or bucket latrine is a cause of concern, especially given the health risks posed by this situation coupled with issues around human dignity. The provision of the flush/chemical toilet system has not seen significant growth over the three years between 2008 and 2010. The increase in the number of households with no facilities exceeded the number of households that obtained one or another form of sanitation during this period.

## **Cleaning and Waste Management**

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In Solid Waste the following services are being rendered:

- Street cleaning
- Refuse removal
- Landfills
  
- Transfer Stations
  
- Waste minimization

As per the National Domestic Standards, solid waste is collected from the CBD daily, residential areas Wednesdays, Thursday and Friday, All Saints Hospital Fridays.

The municipality has a refuse officer recruited in 2007; he is responsible for waste management and cleaning of town and the surrounding areas. The municipality has two refuse compacted trucks, dustbins and black plastic bags being distributed to households.

### Landfill Site Service Station

The municipality has a functional and operational Landfill Site. There is only one site which serves the town; it is used for general waste and all medical waste is disposed at commercial sites by the Department of Health. The site is fully functional and licenced.

The site is regularly maintained by the municipality. The municipality has recently been assisted by the DEAT with improvements to the facility.

### Local Amenities and Public Places

This infrastructure is provided and maintained regularly by Engcobo Local Municipality.

Engcobo Local Municipality		
Municipal Amenities		
Strategic Pillar	Type of Amenity	Condition and Required Action
Infrastructure	Sports fields	Engcobo LM has two sports fields (Engcobo and Nkondlo) in good working condition
Infrastructure	Swimming pools	Engcobo LM has one swimming pool (Engcobo town) and a working condition but needs to be refurbished
Infrastructure	Cemeteries	Engcobo LM has one cemetery and it is currently being fenced. A new site will be required in the future (2 to 3 yrs)
Infrastructure	Halls	Engcobo LM has fourteen halls in different wards. More halls are required as not all wards have halls

### Audit of Community Facilities and Public Amenities

Community facilities and public amenities are monitored on a monthly basis by the municipality; on an annual basis an audit is undertaken to fulfill Grap requirements.

### Customer Relations

Whilst customer complaints are handled as and when they are escalated, there is no documented and/or approved customer complaints management system.

## Building Regulations and Municipal Planning

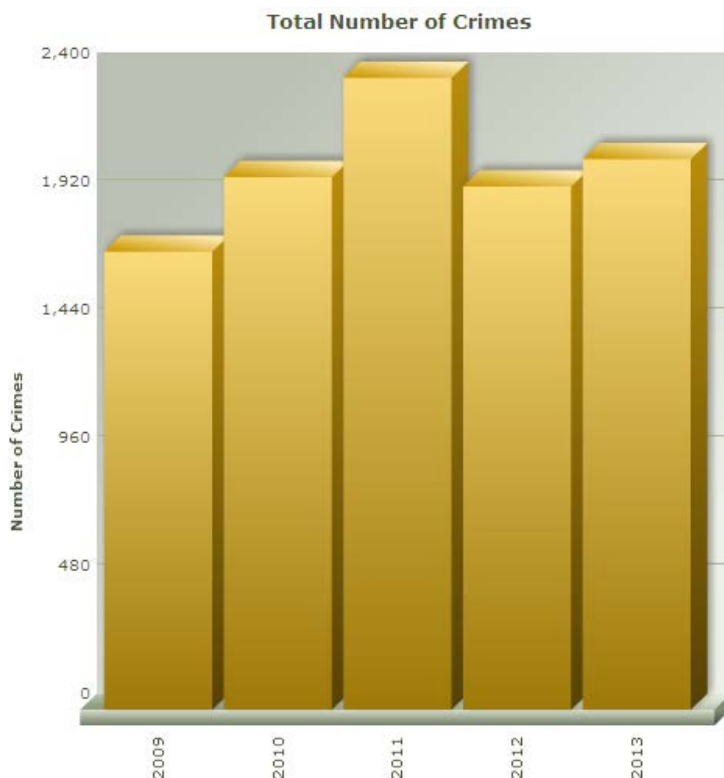
Building regulations are contained on gazette bylaws.

## Safety and Security

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### Crime and safety in Engcobo

Due to a number of social and economic factors, crime remains one of the major problems in Engcobo Local Municipality. From the graphs below, the total number of crimes in Engcobo has increased significantly from 2009 to 2013. Among the crimes that have increased in the municipality are murder and sexual crimes. Common crimes and robberies on the other hand have decreased over this period. Robbery with aggravating circumstances has also significantly increased from 2009 to 2013.



### Traffic control

Engcobo municipality is responsible for enforcing compliance with traffic regulations and testing of vehicles as well as issuing of licences to its local people.

The main concerns about this service that need attention relates to:

- Need to improve capacity and efficiency of systems in licensing and vehicle testing.
- Lack of visible policing in the CBD leading to frequent traffic transgressions for parking, overtaking and driving over speed limit.
- Lack of clear signage on streets (poor road markings and invisible lines to guide motorists).
- Poorly designed and almost non-existent pedestrian integration

systems. Pedestrian compete with hawkers for space on the pavements resolving to walk inside streets and causing traffic congestion. There are no demarcated areas to facilitate safe pedestrian crossings or speed limiting means like humps in busy points where school kids and pedestrians are concentrated.

- Increasing number of noticeably illegal vehicles on our roads.

### **Environmental management**

Environmental management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources.

### **Disaster management**

Disaster management is a competency of Chris Hani District Municipality and Engcobo LM assists in cases of emergency where it has manpower and resources. The municipality does conduct disaster awareness campaigns yearly.

### **Vulnerability and Risk Assessment on Disaster**

The municipality is vulnerable to the following disasters

- ☐ Rural base
- ☐ Thatched and ancient houses
- ☐ Lightning
- ☐ Veld and house fires
- ☐ Hail storm

### **Firefighting services**

Engcobo LM has a fully functioning Fire and Rescue Service. The services rendered to Engcobo communities include provision of Fire and Rescue service, fire safety inspections, internal & external (public) training and risk assessments. Fire and Rescue services response times are governed by the South African National Standards (SANS) Code 10090: Community Protection against Fire. Fire awareness campaigns are conducted on yearly basis.

### **Municipal by-law enforcement**

The municipality does endeavour to enforce all Council approved and gazetted bylaws.

### **Parks and open spaces**

Parks and open spaces are serviced regularly to acceptable operational standards.

## **Social and Community Development**

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The following are the key focus areas;

### **Sustainable Human Settlements**

Human settlements become sustainable when residents of the settlement have access to a variety of basic services, social services and housing.

Housing is the competency of the Provincial Department of Human Settlements, and Engcobo LM provides support in the form of land and bulk services through normal channels when requested to do so.

### **Sport and Recreation**

Engcobo LM has two sports fields (Engcobo and Nkondlo) that accommodate various sporting codes are in good working condition.

### **Libraries**

The municipality has two libraries under its jurisdiction in the town and the other is a satellite one in Clarkbury. Both are fully functional and were funded by DSRAC.

### **Cemeteries and Crematoria**

Engcobo LM has one fully fenced cemetery. A new site will be required in the future (2 to 3 yrs.)

### **Special Programmes (Gender, Elderly, Youth and Disabled)**

Support to the vulnerable groups is fragmented and not mainstreamed. There are resources and capacity constraints facing the SPU Unit which affects the support to these groups.

### **Childcare Facilities**

The municipality doesn't have childcare facilities under its control.

## **Spatial Development Framework**

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In terms of Section 26 (e) of the Municipal Systems Act (Act no. 32 of 2000), the Spatial Development Framework is a legally required component of the IDP. It therefore has the status of a statutory plan, and serves to guide and inform all decisions made by the Municipal Council on spatial development and land use management in the Engcobo Municipality. The Engcobo

Spatial Development Framework was approved by council in 2010 and will be reviewed in 2014/2015.

The Spatial Development Framework for Engcobo Local Municipality aims to provide guidelines for settlement growth and development needs in the town of Ngcobo as well as providing guidance on where best to direct resources in upgrading the rural settlements. The Spatial Development framework also aims to highlight areas where strategic development intervention is required (areas of particular development potential and/or areas where current development activities represent a development opportunity).

The **Engcobo Spatial Development Framework** will apply to the whole area of jurisdiction of the Engcobo Local Municipality. This area is characterized by a composite settlement and land use pattern, incorporating urban, peri-urban and rural components, some of which were previously administered as separate local government entities.

The area covered by the Engcobo Municipality is approximately 22587 ha in extent. Political representation is based on 20 Wards within this area.

#### **Key Informants of the Spatial Development Framework**

For the Engcobo Spatial Development Framework, the key legislative and policy elements of this new approach to spatial planning are derived from:

- The Development Facilitation Act (Act 67 of 1995)
- The White Paper in Wise Land Use: Spatial Planning and Land Use Management (March 2001)
- The Draft Land Use Management Bill (July, 2002); and
- The White Paper on National Transport Policy (August 1996)

The above laws and policy documents provide the foundations for establishing the parameters of a Spatial Development Framework. As such, these are the principle informants on matters of policy for the Municipality and, in the case of the enacted laws, the Municipality is legally obliged to apply their provisions when engaging in spatial planning and land use management.

In addition, the SDF is materially informed by the outcomes of completed and ongoing Sector Planning processes within the ELM and the CHDM.



### Key Spatial issues, objectives and strategies

Key Issue	Objective	SDF Strategies
Spatial Fragmentation and Management of Land Development	<ul style="list-style-type: none"> <li>A more efficient and integrated settlement pattern in Ngcobo and surrounding rural settlement areas</li> <li>A coherent and accepted Land Use Management System addressing the needs of urban and rural environments</li> </ul>	<ul style="list-style-type: none"> <li>Promote densification and consolidation of urban and rural settlements wherever possible</li> <li>Develop an Interim Land Use Management System based on local “Social Compacts”</li> </ul>
Ensuring Ease of Access to Opportunities	<ul style="list-style-type: none"> <li>A well-structured road network system allowing for ease of movement</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise improvement in linkages between identified development nodes, corridors and/or special development areas</li> <li>Prioritise maintenance &amp; upgrade of strategic link routes in partnership with relevant responsible authorities.</li> </ul>
Improved Functioning of Ngcobo town	<ul style="list-style-type: none"> <li>A well-functioning Business Centre in Ngcobo</li> <li>Improved integration between the different suburbs of Ngcobo</li> <li>Increased density and intensity of land uses in Ngcobo (increased efficiency)</li> </ul>	<ul style="list-style-type: none"> <li>Local SDF (including Business Centre Improvement Plan)</li> <li>Focus on attracting Social Housing Institutions to provide rental accommodation in town</li> </ul>

NODE	NAME	ROLE	SPATIAL DEVELOPMENT PRIORITIES
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PRIMARY DEVELOPMENT NODE (Sub-District Service Centre)	NGCOBO	Ngcobo is a Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipalities Headquarters. It also functions as an Industrial Node. Caters for permanent and temporary residents.	<input type="checkbox"/> Managed urban expansion and Public-funded Housing development <input type="checkbox"/> Infrastructure development to cater for expansion <input type="checkbox"/> Business Centre Management and focus on Urban Aesthetics <input type="checkbox"/> Improved pedestrian and vehicular linkages between suburbs in town <input type="checkbox"/> Social facilities (incl. cemeteries) <input type="checkbox"/> Environmental management
SECONDARY NODES (Sub-Local Centres)	MNYOLO, COGHLAN/ NKONDLO, CLARKEBURY, MJANYANE, MANZANA	Commercial and Social Facilities serving surrounding rural areas	<input type="checkbox"/> Basic level of service extension <input type="checkbox"/> Local planning to maximise use of resources <input type="checkbox"/> Local land use schemes to be negotiated

## Preferred Spatial Development outcome for Engcobo LM

<b>Role and Description</b>	<p>Ngcobo is a Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipality's Headquarters. The town caters for permanent and temporary residents.</p>
<b>Business Zone</b>	<p><u>The Business Improvement and Expansion District</u> comprises on the CBD and surrounding properties (as illustrated on plan). Rezoning to Business is to be permitted in this area and mixed land used promoted (including high density residential)</p> <p><u>CBD Upgrading</u></p> <p>There needs to be upgrading of the CBD with improved Taxi Ranks and Hawking facilities. The CDB is a retail centre with characteristics of emerging urbanization. The centre is a connectivity hub where public transport (including taxis) converges to ferry commuters. An LED capital project to augment the infrastructure in the CBD is critical to facilitating local economic development. The project should include the provision of ablution facilities, hawking facilities, space for the crafts industry to be practiced and space for the fresh produce market from the surrounding farming activities.</p>
<b>Residential</b>	<p>It is important that town remains integrated with the use of Infill and densification of the current residential areas to ensure the more efficient provision of services and facilities.</p> <p>There are a number of housing projects that are catering for the current demand for low income housing in the town. This include:</p> <p>Ext 11: 1900 sites for income group earning less than R3500</p> <p>Ext 5,6 and 9- This project is incomplete due to lack of funds</p> <p>It is also important that there are suitable forms of housing to attract residents; this includes the provision of a middle class suburb to attract skills.</p> <p>Ext 7 and Ext 10 are planned to cater for Middle Income residential demand however, ext. 7 needs to be re-planned with the aim being to permit the further development of the Ngcobo business centre southward.</p> <p>Other Possible Housing Projects included:</p> <ul style="list-style-type: none"> <li>• 4 social housing schemes are being considered to be integrated in future to meet the demand for rental accommodation;</li> <li>• 5 special needs housing projects are being considered</li> <li>• 2 emergency projects are being considered</li> </ul>

<b>Future Residential</b>	<p>Future residential expansion to the south of the town (ext. 12).</p> <p>Long-term expansion to the south and south east of the proposed ext. 12 area.</p>
<b>Infrastructure</b>	<p>Upgrade the Main Road (R61)</p> <p>Solid Waste site needs to be permitted and properly managed</p> <p>A new site for a cemetery needs to be identified</p> <p>Current Waste Water Treatment Works needs to be closed and relocated to an alternative site. A proposed site has been identified (co-ords)</p>
<b>Industry</b>	<p>Allowance must be made for a Light Industrial Area</p>
<b>Mining</b>	<p>There is potential for Dolerite Mining to the west of Ext. 11</p>
<b>LED</b>	<p>Revitalise the Plantation located on the commonage</p>
<b>Environmental Aspects</b>	<p>No development on areas with a gradient greater than 1:5.</p> <p>No development within 50m of a river course.</p> <p>A 1:100-Year flood-line study needs to be undertaken.</p> <p>The river course must be kept clear of invasive trees and plants.</p> <p>Development must not occur within wetlands and drainage lines</p>
<b>Spatial Programmes/Projects/ Legislation</b>	<p>Rates Policy to address “land bankers” – free up vacant land</p> <p>Formulation of a detailed Local Spatial Development Framework for Ngcobo:</p> <ul style="list-style-type: none"> <li>• <i>Business Area regeneration</i></li> <li>• <i>Address traffic congestion</i></li> <li>• <i>Prioritise infrastructure upgrades (water services)</i></li> <li>• <i>Implement appropriate Zoning Scheme Regulations</i></li> </ul>

## Land Use Management.

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The formulation of land use management guidelines is a legally required component of a Spatial Development Framework. In complying with this requirement, it is important to be clear on what is understood by the term “*land use management*”, and therefore, how this is translated into a set of usable guidelines, relevant to the Municipality and its assigned roles and functions.

The following excerpt from the White Paper on Spatial Planning and Land Use Management (Dept Land Affairs, 2001) provides a broad definition of what, *in essence*, a **Land Use Management System** is expected to achieve in the new spatial planning system in South Africa, and how this **differs from the development control approach** that was central to the old planning system in this country: -

“The term land use management includes the following activities:

- ✓ The regulation of land-use changes such as, for example, the rezoning of a property from residential to commercial use;
- ✓ The regulation of ‘green fields’ land development, i.e. the development of previously undeveloped land;
- ✓ The regulation of the subdivision and consolidation of land parcels;
- ✓ The regulation of the regularization and upgrading process of informal settlements, neglected city centres and other areas requiring such processes;
- ✓ The facilitation of land development through the more active participation of the municipality in the land development process, especially through public-private partnerships.

Land-use management has two main underlying rationales. The first is the widely felt resistance to the idea of uncontrolled land development and the second is the commonly expressed wish by particular sectors in society to promote various types of desirable land development.

The resistance to uncontrolled development is motivated by:

- ❖ **Environmental concerns:** uncontrolled development of land can have adverse effects on natural habitats, cultural landscapes and air and water quality.
- ❖ **Health and safety concerns:** uncontrolled development can lead to overcrowding and unsafe building construction. Certain land uses can also be detrimental to the health and safety of neighbors.
- ❖ **Efficiency of infrastructure provision and traffic management:** increasingly it has become clear that where the granting of development permissions is not coupled with the provision of adequate infrastructure and traffic management the consequences can be severe. Similarly, where infrastructure is provided, generally at high financial cost, without taking into account likely and relevant land-use and settlement patterns the opportunity costs to society are very high.
- ❖ **Determination of property values for purposes of rating:** the market value of land is the basis on which property valuation is determined and the extent and nature of the development permitted on the land is a key factor in that determination.
- ❖ **Aesthetic concerns:** the control of land development enables government to prescribe certain design parameters for buildings.
- ❖ The wish to promote desirable development is also driven by a number of different concerns:
- ❖ **The land development needs of the market seldom match precisely the social and political needs of government:** government may well want to promote a type of land development in an

area that the market neglects. It then has to take certain steps to facilitate that development or provide incentives.

- ❖ **Investment promotion:** changing the applicable land-use management instruments is often seen as a prerequisite for attracting certain types of investment to certain areas. This can take the form of both relaxing controls in those areas and increasing controls in other areas which might be more favored by the market. These strategies are likely to be linked to local economic development initiatives”.

## **Land Use Management and Engcobo Local Municipality**

In terms of the Land Use Regulation, Engcobo LM is a designated Land Use Regulator with a responsibility for Municipal Planning.

### **Current Legal Instruments Relevant To Land Use Management within Engcobo Local Municipality**

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- The area covered by the Engcobo Municipality is a complex, composite area comprising a variety of landscapes and land types ranging from formal, planned urban settlement (Ngcobo town), formal and informal peri-urban and rural settlement (villages), and transformed, less impacted and almost pristine natural areas.
- In the main, land use management across this variety of land forms is not undertaken in terms of a coherent and overarching or integrated land use management system. In legal terms, land uses are subject to monitoring and regulation in terms of environmental laws that apply across the country as a whole but that are, in reality, only enforced in certain areas.
- This “unevenness” of land use management monitoring and enforcement is also the result of a historically complex and “splintered” application of legislation across the study area.
- The relevant legislation to be employed to carry out land use management is the Transkei Townships Ordinance (Ordinance 33 of 1934). It should be noted that, in the interim before new, integrated land use management legislation is promulgated, the Development Facilitation Act (No. 67 of 1995) may be utilized as a planning tool for statutory planning purposes.
- These pieces of legislation are used in conjunction with a suite of environmental legislation that also has bearing on land use management and should strictly speaking, also be applied in rural areas.

## **Housing**

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Housing is a national competence. It is a priority for our communities who have identified it during the broad consultation workshops as a critical need in short supply. Housing is also a basic need. The municipality has identified as part of this IDP’s project list, a need to develop a sector plan for guiding our role in facilitating the implementation of sustainable housing and settlement development.

The municipality is not a developer, but a facilitator with current role encompassing facilitating and processing of applications for low cost housing, planning for new settlements and implementing RDP housing delivery programme on behalf of the provincial housing and development board or the department of human settlements.

No housing projects have been undertaken in the past few years by the municipality. However, the municipality does have several different urban and rural projects that are registered with the department.

The table below indicates the existing housing projects;

#	Project	Approved Scope	Approved Budget
1.	Engcobo EXT 11-1854	1854	R66,071,239.00
2.	Deberha Rural Pilot - 706	706	R317,700.00
3.	Mntutloni Rural -1000	1000	R5, 796,000.00
4.	Inkenkwezi Rural - 300	300	R1,159, 200.00
5.	Nkondlo Rural - 500	500	R1,932,000.00
6.	Goboti Rural - 300	300	R1,159,200.00
7.	All Saints - 700	700	R2,704,800.00
8.	Cefane Hook -350	350	R1,352,400.00
9.	Engcobo Consolidation 952- Water and Sewer Services	952	R29,678,600.00
10.	Engcobo Consolidation – 666 Houses	666	R58,129,146.00
11.	Engcobo Vulnerable/Destitutes	288	R32,312,160.00
12.	Chris Hani Emergency/Disaster	47+26	R5,418,380.47

The analysis estimates the housing demand to be as follows:

- a) 3500 low income units (RDP level)
- b) 500 middle to upper income units.

## Households with access to Basic Housing

Percentage of households with access to basic housing			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of households in formal Settlements
2009	36910	1634	4.4%
2010	37047	1634	4.4%
2011	37214	1634	4.4%
2012	37214	1634	4.4%
2013	37214	1634	4.4%

## Land Reform

Land reform is a central factor to economic development and especially rural development. There are two dominant forms of tenure or means of land ownership in our jurisdictional areas, namely freehold (identified through a registered mortgage and issuance of a formal title deed to the landlord) and communal (often found in rural village settlements and not linked to a single landlord through issuance of a title deed).

Freehold ownership patterns are common in urban and peri-urban areas of Engcobo and Clarkebury while other forms are dominant in rural settlement areas. The common tendency and legacy inherited from past government is for communal land to be under the control and authority of traditional leaders while not always but commonly the local municipal authority tends to have more control and rule over formalized freehold urban tenure systems. The co-existence of these tenure systems often creates confusion and difficulties in implementing uniform planning regulations and by-laws to govern land use management and development. Hence, the choice for 2012/17 to focus on building strong relationships with traditional authorities and putting in place mechanisms for implementing effective joint planning and land use administration.

Rural areas have often lagged behind urban centers when comparing their share of benefits for development in our municipality. This has been caused by historic reasons wherein services were delivered to areas with already developed networks and reticulated service distribution systems (e.g. Waterborne sanitation, refuse collection and electricity connections). This has led to urban-rural inequalities. To deal with this challenge the municipality has identified rural development as a new development priority for 2012/17 with emphasis on the following:

- ☐ Planning for improved household access to basic services
- ☐ Leveraging of rural service infrastructure installation
- ☐ Facilitation and mobilization of resources to achieve integrated delivery of government services via one-stop service centres to rural areas



- ❑ Coordination of poverty alleviation interventions and livelihood support
- ❑ Integration of settlements to mainstream economic participation and contribution. Main focuses here being on agriculture, farming, cultural tourism and agro-processing initiatives.

### **Land and Property Management**

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In terms of the Municipal Finance Management Act municipalities are obliged to manage the assets under its control, section 78 of the Act specifically stipulates that senior management should take all reasonable steps within their respective areas of responsibility to ensure, inter alia, “that assets of the municipality are managed effectively and maintained to the extent necessary to derive maximum benefits from these assets both in providing basic infrastructure and generating revenue.

An immovable capital assets management and maintenance information system is in place and this is a comprehensive system which incorporates collection of all data related to municipal owned properties, verification of new and existing data, quality control and skills transfer. It also incorporate all property valuations that have obtained through the General Valuations as well as all maintenance and expenditure carried out on each municipal property.

### **Roads and Transportation**

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Transport plays a critical role in economic development. Transport service has two levels. It includes public and physical transportation systems. The ELM’s role in transport is largely focused on planning for movement of goods and people across our landscape. We are not a transport authority and currently do not have an Intergrated Ttransport Plan and currently share the District Intergrated Transport Plan.

However, it the ELM’s intention to develop and adopt such a sector plan in order to guide how it intervene and play a role in facilitating public transport, mobilization of transportation infrastructure support and coordination of movement patterns in support of our economic development objectives.

The physical transportation systems are poorly linked and overly rely on road based network. The lack of established rail systems linked to the municipality’s road based networks is a huge obstacle to realizing the existing potential in underperforming yet promising economic sectors like forestry, manufacturing and agriculture production.

The lack of established rail transport network coupled with poorly maintained road infrastructure contributes negatively to our competitive advantage. It makes it difficult for industries to have effective distribution networks necessary to link out local produce to markets.

Public transport is also uncoordinated and poorly planned. For example, there is no functional public transport interchange that offers well designed and planned public facilities. There are currently no public (bus and taxi) ranking facilities and the town centre is characterized by many small informal ranks in street corners, shop fronts and parking spaces.

Together with Engcobo the District municipality has financed a project towards the revitalisation of the town and its beautification; amongst others the construction of public facilities. The project was supposed to have taken off in January 2014 but due to community delays it will only begin on the first week of June.

The municipality through working relations with the department of Roads and Public Works has established roads and transport for an assist in planning related matters; the seating occurs once a quarter. Matters of road maintenance, priority list for construction, road safety, etc are being discussed at these meetings.

Through the engagement of Municipal Infrastructure Support Agency (MISA) has appointed Mzanzi Civils Consulting Agency to develop Infrastructure Master Plan and Intergrated Waste Management Plan. The Infrastructure Master Plan will include all infrastructural related service delivery components such a roads, electricity, housing. Both plans will be adopted by Council in the beginning of 2014/15 financial year.

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## **The development of Corridor Clusters**

### **The Forestry/Wood Cluster in the north by:-**

- Providing new community forests especially near existing sawmills
- Providing new sawmills
- Establishing a wood manufacturing industry at Engcobo
- This project on forests is now handled by Chris Hani because local municipalities cannot afford to manage.

### **The Agricultural Clusters in the south by:-**

- Developing new irrigation schemes
- Maximizing production at existing schemes Providing a market and agro-industrial at Ngcobo

### **The Tourism Cluster**

- Conserve and develop bushman paintings and developing a bushman painting trail
- To develop the waterfalls for tourist visits i.e. parking area, ablution facilities etc.
- Develop dams for fishing and camping/overnight facilities
- A Tourism Centre within Hero's Park
- Tourism facilities and conference centre at Xuka
- Cultural village (horse and hiking trails, waterfalls and busmen painting)
- Partaking in Clarkbury (former Nelson Mandela school)

### **The Beef and Dairy Cluster**

- Dairy production at Xuka
- Develop beef production at Xuka and other areas
- Dipping Tanks
- Stock Dams
- A beef auction and production facility at (Engcobo)

In terms of the draft Land Use Management Bill, it is anticipated that the Engcobo Local Municipality will be required to formulate an integrated Land Use Management System within the next 5-year planning period.

In the interim, the Municipality will focus on the following actions:-

- Establishing appropriate land use management procedures to deal with all formal land development procedures in the Urban Areas in terms of currently applicable Town Planning Schemes.

Ensure the implementation of procedures in terms of the Environmental Conservation Act.

### Spatial Development priorities

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Engcobo therefore aligns itself and adopts the following spatial priorities;

#	Priority	Priority Description
1	Priority 1	Which highlights the need to realize the potential for maize production and the need to priorities sustainable homestead production.
2	Priority 3	Which highlights the need to priorities the provision of a basic level of infrastructure BUT, importantly, also rural infrastructure (e.g. fencing, agricultural support infrastructure and facilities);
3	Priority 4	Which highlights the need to prioritize land reform (specifically tenure and agrarian reform) in communal land areas to better secure the asset value of land;
4	Priority 11	Which is aimed at enhancing support and technical assistance to small-scale farmers as well as strengthening linkages to rural development and land reform initiatives.
5	Priority 12	Which is crucial to provide a strategic framework for the development of the rural settlement areas, where much development potential remains thwarted due to capacity constraints, lack of clarity on institutional responsibilities, land tenure and land administration complexities and significant infrastructure backlogs.

## KPA Challenges

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- Infrastructure backlogs due to financial constraint
  - Maintenance of roads infrastructure due to in house machinery and equipment
  - Continuous water and sanitation operation and maintenance
  - Inaccessibility of electrification for some villages
  - Inaccessibility of schools and clinics due to limited access roads
  - Limited capacity
-

### **Local Economic Development**

In fulfilling the Local Economic Development Key Performance Area, Engcobo Local Municipality has developed a five year Local Economic Development Strategy (“**LED**”). The LED Strategy was developed in 2010 and will be reviewed in 2014.

It (“LED Strategy”) incorporates the following cross-cutting programmes;

- a) Small and Medium Enterprise Development including cooperatives.
- b) Agricultural Development.

#### **3.1 Draft LED Strategy**

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### **Background information**

Engcobo Local Municipality (ELM) is predominantly rural and is characterised by a relatively low population density with more than 300 villages scattered across the municipality. Engcobo town being the only relatively densely populated, is the economic hub serving almost the entire municipal population. The municipality is faced with challenges relating to high prevalence of poverty, declining employment levels and concentration of employment in unskilled positions. In terms of the South African Constitution (1996), the Municipal Structures Act (2000) and the Municipal Systems Act Amended (2003), the local municipality is responsible for ensuring the development and implementation of Local Economic Development (LED) to facilitate employment creation and poverty eradication within its jurisdiction. Local Economic Development (LED) is essential in ensuring growth and stability of the economy. It is one of the most effective ways of ensuring that growth occurs on a sustainable basis while also assisting with the development of the PDI/HDI. The LED strategy serves as a tool with which the Engcobo Municipality can broaden the local economic base, increase sustainable growth and contribute to poverty alleviation in the area.

In order to fulfill the above mandate, in 2010 the Engcobo municipality procured the services of Laurie Shaw Consulting to review 2005 to 2010 LED Strategy leading to the current strategy. Apart from updating the baseline data, the 2010 review report addressed various issues including the lack of convergence in terms of determining priority projects resulting in the stating of the 3 Bankable projects: Upgrading the CBD with improved Taxi Ranks and Hawking facilities; Leveraging off of the agricultural, livestock (Poultry), water and forestry potential; and Recycling project. Furthermore, the review reduced the initial 15 objectives to just 5 objectives providing the strategy more scientific or strategic support. The objectives are: Develop LED department Institutionally; To strengthen and maintain partnerships and ensure intergovernmental alignment and cooperation; To mobilize resources and implement LED and Tourism programmes; To develop and sustain a research, monitoring and evaluation system; and Review the LED strategic Plan. Objective 5 aims to ensure that the strategic plan remains relevant.

However, the Engcobo LED strategy has not been reviewed since 2010. Hence, the Municipality assigned DCI Holdings to review, update and revise the existing LED strategy ensuring that it remains

applicable and relevant to the changing socio-economic-political environment. Furthermore, the LED strategy review form part of the IDP process and is a critical steps towards achieving local economic development within the Engcobo Local Municipal area. Determining what sectors, commodities and stakeholders are significant to the economic activity of Engcobo Local Municipality will enable identification of appropriate market interventions that will lead to economic development of the municipality.

### **Definition of LED**

According to the LED Information Booklet distributed by the Eastern Cape Provincial Government (undated), the term Local Economic Development (LED) was a term that *“referred to the deliberate intervention to promote economic development in a specific area that is not the national area...”*

However, it would appear that the definition has developed and changed as local economies have responded to the changes with the Global Economy. The shift has been to emphasize developing and exploiting linkages from local to district to national to global. Thus the shift in LED is now away from a mere inward looking approach to an outward looking perspective that leverages off of current strengths and local comparative advantages.

Today’s LED perspective emphasizes sustainable local economic development through the development of strong partnerships, the bringing together of key stakeholders from both the private and public sectors and the inclusion of local communities with both a vested and contributory role. This network (and the pooling of resources), aims at developing coalitions, which build and foster sustainable economic growth. This then creates the opportunity for meaningful work to emerge. The goal is to create opportunity for all so that there can be economic, social and environmental prosperity.

According to the Engcobo Municipality LED Strategic Plan (2005-2010:4):

*“Local Economic Development is about local people deciding to take charge of the economic and employment future of their community. It is about seeking consensus around development issues at a local level. It represents local entrepreneurship and opportunism...”*

The ten clues to successful LED are said to be:

- Shared vision
- Positive mindset
- Self-reliant spirit
- Clear marketable identity
- Practical development agenda
- Focus appropriate structure for action
- Local respected leadership and commitment
- Co-operative networking
- Actions to strengthen existing business
- Local government that facilitates

The success of LED according to the 2005-2010 strategy was built on the principle that it is a bottom-up approach, that it complements others spheres of governments and should not be seen as a “quick-fix”. This report maintains the above stated principle.

Furthermore, the success of an LED Strategy is said to be dependant by-and-large in a well-structured, well-resourced, well-placed LED unit and that the programmes, projects and interventions inter-alia:

- Have clear objectives
- Address real problems
- Is lead by a dedicated and dynamic leadership
- Enjoys support from the local stakeholders
- Is based on well formulated plans
- Enjoys the support of other government sectors and business
- Is implemented by competent and dynamic staff
- Is able to sustain itself

In refining the 2005 to 2010 Strategy emphasized the above. The initial strategy’s 15 objectives were refined to 5 as mentioned earlier, in an attempt to give clear objectives that address the real issues.

### **Economic policy contexts**

Since the early 1990s the government of South Africa has been actively engaged in policy development. Local economic development has been identified as the prime mechanism for: job creation, empowerment and local development. The following sub-sections provide a brief overview of the national, provincial, district and local economic development policies that are categorized according to the spheres of government. These policies provide a platform from which a summary is provided of their implications for the economic development within the Engcobo Municipal area.

### **Engcobo Spatial Development Framework**

The Engcobo Spatial Development Framework was developed in alignment with the municipality’s IDP as well as the Provincial Spatial Development Framework. The Spatial Planning and Land Use Management Act of 2013 require local municipalities to produce a Spatial Development Framework to ensure equitable and efficient spatial planning. With the regards to the municipality of Engcobo, the following planning informants have been used in creating the spatial development framework package:

- Provision of basic infrastructure
- Sustainability
- Land onwnership and tenure
- Settlement patterns
- Identifying areas of greatest opportunity

- Urban development
- Environmental management
- Agriculture and Forestry

In other words, the spatial implications of the IDP development objectives are that the municipality aims to deal with spatial fragmentation and management of and development; ensuring ease of access to opportunities; and increasing the functioning of Ncgobo town.

## **Engcobo response to national and provincial policies**

### **Engcobo's LED Strategy**

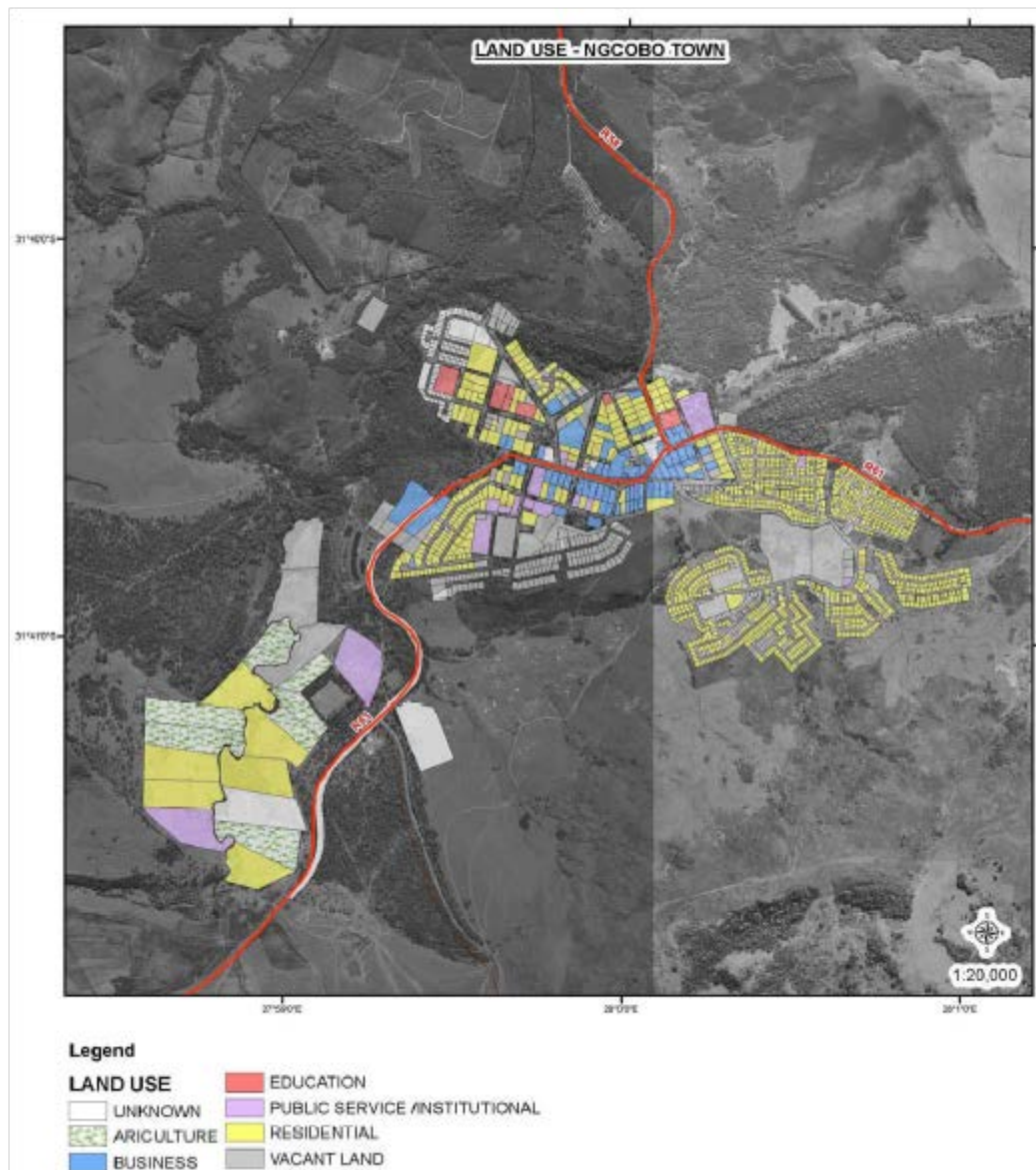
The local municipality has very little economic regeneration with Ncgobo town being the Municipality's principal service centre and administrative node, future focus for economic growth and development. The objective is to provide a well-functioning town so as to enable and stimulate economic and job creation opportunities and a future sustained town. This will also assist in providing security of tenure and ownership of land which will act as a catalyst and provide investment opportunities in Engcobo town.

This will mostly assist in meeting the principles set by the Development Facilitation Act 1995, which is to create an enabling environment for development and investment, create opportunities for job creation and help to discourage land invasion by providing formal development for the poorer sector of the community, promoting efficient and Integrated Development.

### **Engcobo town (LED node)**

Under the Small Town Revitalisation, Engcobo Local Municipality has identified the development of Ncgobo town as a primary node of the municipality. The town is seen as a main hub of the economic activities, service centre and administrative node which will stimulate economic regeneration within the municipality.





#### Engcobo's Response to NSDP:

- Engcobo has embarked on Small Town Revitalisation;
- Capitalising the strategic position along the newly upgraded R61 connecting Queenstown and Mthatha;
- Focus on the industrial potential in Engcobo Municipality.

## The national and provincial strategic framework

National strategic framework	Engcobo's response
NSDP: Conceptualization of the national space economy and derived from this NSDP to promote the reconstruction and development of all spheres of the government	Development planning of the existing and changing spatial patterns of population settlement, economic development and general potential
NDP: Improving infrastructure	Construction of various infrastructure such as the taxi rank as well as the revitalisation of Engcobo as well as Cradock Spa
IPAP: to set the economy on a growth path that is value-adding, labour-intensive and environmentally sustainable	The revitalisation plan of Engcobo allows for growth that is value-adding
Infrastructure Development Bill: to provide for the facilitation and co-ordination of public infrastructure development which is of significant economic or social importance to the Republic	Construction of various infrastructure such as the taxi rank as well as the revitalisation of Engcobo as well as Cradock Spa
NSDP for small business: Alleviating poverty by making it possible for poor people to generate income to meet basic needs	The revitalisation allows for the creation of new jobs while making the area
BBBEE: •Increasing the number of black people that manage, own and control enterprises and productive assets. •Facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises	BBBEE allows for access to land, infrastructure and finance. It enables the people of Engcobo, who are primarily black and previously disadvantaged, to access land through the revitalisation and beautification
Provincial strategic framework	
EC PGDP: strategic framework, sectoral strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people of the Province	Job opportunities created as well as market access through ownership
Engcobo IDP: Economic development and poverty alleviation	Construction of taxi rank and beautification allowing for an increase in business activity
Engcobo SDF: Provision of basic infrastructure and urban development	Beautification and construction of public infrastructure

## **Implications for LED in Engcobo**

Based on the preceding sections, it is evident that there are several pieces of legislation, strategies and policies in existence to address the issue of local economic development. LED involvement requires government intervention in the form of facilitation, support and funding. In Engcobo, national government, the district and local municipality all have an essential role to play in the successful implementation of local economic development initiatives. These institutions establish principles and provide a framework for the formulation of localized economic development strategies. They create a range of opportunities for funding, institutional development and initiatives for economic growth and development in Engcobo. Based on this, it is important that LED within Engcobo focuses on the following areas:

- Addressing local development needs, poverty crises and job creation requirements;
- A partnership between all key stakeholders – the local authority, communities, and the private sector. (Currently there is an existence of LED Forum in each town);
- Local leadership;
- Initiative and entrepreneurship;
- The use of local resources and skills;
- Appropriate external support , advice and facilitation; and
- Creating an environment that facilitates economic growth and diversification.

## **SOCIAL ASSESSMENT OF ENGCOBO LOCAL MUNICIPALITY**

The aim of this section is to provide a detailed account of the current social and demographic situation in Engcobo. By so doing, it will be possible to ascertain those areas in which economic development potential exists.

## **ECONOMIC ANALYSIS OF ENGCOBO LOCAL MUNICIPALITY**

The purpose of this section is to give an analysis of the local economy of the Engcobo Local Municipality in order to develop an understanding of its salient characteristics and the importance of such characteristics. Therefore the starting point for section is a summary of the level of infrastructure and spatial profile within the municipal area. It then highlights the key economic sectors within Engcobo, focusing on the major features, trends and implications for future economic growth of the area.

Consultations with key local stakeholders in the area will form the basis of the SWOT analysis that we will conduct for the various economic sectors. This section therefore serves as an important point of departure for the subsequent assessment of the various development opportunities within the municipality. The section is structured as follows:

- ➡ Infrastructure and spatial profile
- ➡ Key economic sectors of Engcobo
- ➡ Economic implications; and

- ➡ Analysis of strengths, weaknesses, opportunities and threats facing the municipality

## Spatial profile

This sub-section summarise the spatial profile of Engcobo, namely the Development Corridors and the Development Nodes of Engcobo critical role in the growth and development of the municipality.

### Development Corridors

Development Corridors are defined as roads of significance at Municipal Level that;

- Facilitate movement of people and goods to and from an area
- Link places in the Municipal area to other places of significance (i.e. markets, places of work or social/economic opportunity)
- Create a focus for activity

**Engcobo local municipality's spatial framework has the following significant corridors namely;**

- Primary movement corridor (R61), - the East Corridor of importance to both the municipality and district linking the Engcobo to Queenstown and Umthatha.
- Secondary movement corridors (R58 Elliot – Ngcobo & R408 Engcobo – N2 –Dutywa). These routes carry passing traffic and provide access between local areas in Engcobo and other centres.
- Link corridors - Access Roads linking Ngcobo (R61) to the Secondary Nodes of Mnyolo, Nkondlo, Clarke bury and Mjanyane
- Hala Development Trust (Corridor) which is a development along R408, includes the following wards 1, 2, 3, 4, 5 and 16

### Development Nodes

**The municipality has Ngcobo town as its primary node with five other secondary nodes:**

Node	Name	Role
Primary	Engcobo	Ngcobo is the economic hub of the municipality; the Retail and Service Centre to the surrounding rural settlements. It also has an administrative role as the Local Municipalities Headquarters. It also functions as an Industrial Node. Caters for permanent and temporary residents.
Secondary	Mnyolo, Nkondlo, Clarke bury, Mjanyane, Manzana, Hala and Mqonci	Commercial and Social Facilities serving surrounding rural areas.

## **Economic overview of Engcobo local municipality**

This section is set to provide an analysis on the key economic trends for Engcobo local municipality identifying key sectors, potential growth areas and highlights on the areas of competitive as well as comparative advantage. The aim is to provide insight about the economic environment of the area, thereby setting a platform for economic planning, potential future developments and investment prospects.

Based on the IDP 2013-2014 the economic development potential of the Municipality lies within the following sectors:

- a) The Forestry Sector.
- b) The Agriculture Sector.
- c) The Tourism Sector.
- d) The Retail/trade Sector with a focus on the town of Engcobo and some secondary nodes.

### **a. The Forestry Sector**

The Engcobo IDP 2013/14 identified forestry as a potential sector to become one of the most productive sectors in the local economy with approximately 5,455ha of forests. The Integrated Sustainable Rural Development Programme looks at the development of a vibrant wood cluster.

The main type of wood found in the local plantations is soft wood commonly from pine trees. The existing types and names of forest plantations and indigenous forests in the municipal area can be summarised as follows:

Commercial Plantations covers approximately 3 733 ha and is common in following areas:

- Engcobo
- Mbeni, Mboleni, Quluqu
- Manina
- Mntuntloni
- Nkobongo

Indigenous Forests covers approximately 1722 ha and is commonly found in areas such as:

- Mxikixwa
- Gulandoda
- Qongqotha
- Mjanyane, Nkobongo, Mqabu
- Mkhonkotho, Mhlahlane, Khovoti
- Mngcozo, Waca, Dumba, Eliphakathi, Ntsunguzi
- Ngquku, Nkcoyi
- Haba

Sawmills has various sizes is commonly found in the following areas:

- Transkei Timber
- Maqwathini
- Dyampi
- Javi

#### **b. The Agriculture Sector**

As in the case of forestry, agriculture sector is considered to have potential of being the primary active sector in the local economy. However this potential is not adequately utilized. Most households focus on subsistence farming with the most commonly kept livestock being cattle, sheep, goats, horses and donkeys.

There are a number of existing irrigation schemes that lie under-utilized in areas such as: Clarkebury, Gqutyini and Mhlophekazi. Four formal agricultural schemes have been identified in the areas such as Mgwali, Ntibaneni, Madzikane and Xuka.

#### *Agriculture sector SWOT Analysis*

<b>Strengths</b>	<b>Weakness</b>
<ul style="list-style-type: none"> <li>• Climate: Engcobo has got climatic weather that favours agricultural crops - fields and cash crops</li> <li>• Rainfall: Average Rainfall</li> <li>• Temperature : is conducive for most agricultural crop</li> <li>• Soils: Engcobo has soils suitable for arable agricultural forestry</li> <li>• Land is available for further agricultural activities including Agro-Processing</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of Human Capital (skill for farming, agricultural economics expertise)</li> <li>• Shortage of equipment</li> <li>• Inadequate marketing of agricultural product</li> <li>• Lack of financial resources.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Aqua-cultural activities/projects</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure, e.g. electricity, roads , water supply</li> <li>• Means of communication</li> <li>• Shortage of sustainable market</li> </ul>

#### **c. The Tourism Sector**

Research conducted by the World Travel and Tourism Council has identified tourism as the world's largest generator of jobs. South Africa is already observing this trend, however, the White Paper released in 1995 by the Department of Trade and Industry states that tourism should be properly organised and focused in order to create jobs within a short period of time. The Tourism industry should be looked at a broader view as it influences other sectors of the economy.

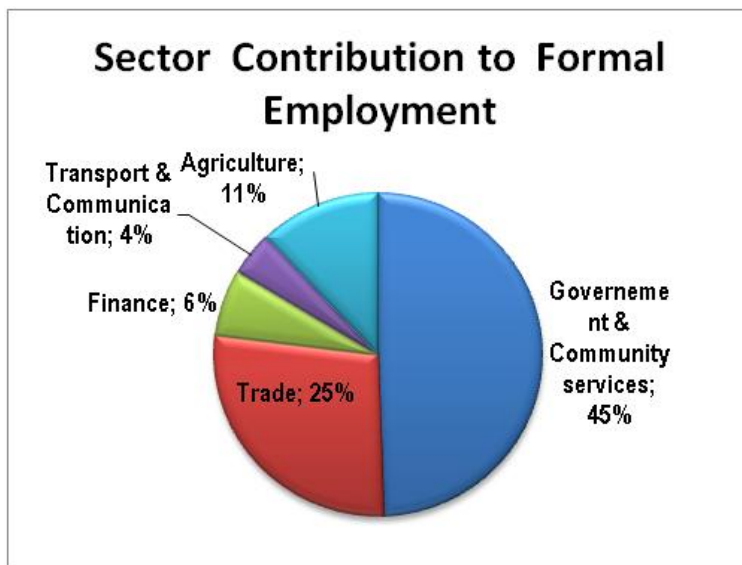
For Engcobo, the local tourism development is a competence of local municipal sphere but currently there is no comprehensive strategy to drive the interventions in this sector of the economy. The sector has potential but remains under-utilized. Tourism Sector Plan that drives all tourism activities was developed and adopted by the Council in 2008 remained in application until its review in 2013.

The tourism potential exists in the following areas for Engcobo:

- Heritage Sites such as the Walter Sisulu Historic Centre;
- Rock Art and Caves such as the Singumeni rock art and Dyobashe Rock Art;
- Natural Tourism which include, Amakhosa traditional activities and Qutubeni Cultural Village

Strengths	Weakness
<ul style="list-style-type: none"> <li>• Upgraded R61 easy access to the municipality</li> <li>• Arts and Craft Centres</li> </ul>	<ul style="list-style-type: none"> <li>• Human Capital</li> <li>• No financial Resources,</li> <li>• Unavailability of tourism shows and exhibition centres.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Town Beautification under the Small Town Revitalisation programme;</li> <li>• Back up from Chris Hani District Municipality</li> </ul>	<ul style="list-style-type: none"> <li>• Aging Infrastructure</li> <li>• Roads poor</li> <li>• Means of communication</li> <li>• No accommodation facilities</li> </ul>

- Engcobo LM lacks diversity;
- Wholesale and Retail trade is the second contributor to the economy of which 68% of the activities occur in Engcobo town;
- Marginal contribution (2%) is from Agricultural sector that is predominantly small scale subsistence farming



#### Sector contribution to formal employment

Government & Community service largest employers followed by Trade industry. Agriculture contributes significantly to employment.

## LED SWOT analysis of Engcobo local municipality

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"><li>• Availability of Forestry</li><li>• Availability of arable land</li><li>• Heritage sites</li><li>• Upgrading of the R61 gateway to Mthatha &amp; Queenstown</li><li>• Large numbers of livestock</li><li>• Favourable weather conditions for agriculture</li></ul>	<ul style="list-style-type: none"><li>• No land audits done</li><li>• Communal land ownership</li><li>• High illiteracy and unskilled labour force</li><li>• Poor infrastructure</li><li>• Inadequate institutional capacity</li><li>• Underutilised resources</li><li>• Lack of effective key policies &amp; By laws</li><li>• Service points all in CBD</li></ul>

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"><li>• Small Town Revitalisation Strategy</li><li>• Land land earmarked for future development around Engcobo town</li><li>• Resource available for tourism business</li><li>• Potential for agriculture</li><li>• </li></ul>	<ul style="list-style-type: none"><li>• Inadequate infrastructure to support LED initiatives</li><li>• Poverty</li><li>• Unemployment</li><li>• Lack of funding</li><li>• Lack of farming equipment</li></ul>

## LED DEVELOPMENT FRAMEWORK

The section of this report is aimed at providing a development framework for the implementation of the Engcobo Local Economic Development Strategy. Therefore the development framework is comprised of the follow:

- a development strategy vision, objectives
- programmes
- strategic interventions and
- projects to guide the future economic development of the Engcobo Local Municipality

The key LED programmes will based on information received from stakeholders, interviews conducted to community members and the economic profile analysis, relating to sectors with the highest potential and opportunities.

The sectoral programmes are then interpreted in terms of development potential, of which a systematic prioritisation process is undertaken of identified projects on a generic classification framework.



## **Challenges facing LED**

During the social and economic profile analysis the following issues were raised and were regarded as key challenges to economic development in Engcobo that need to be addressed in order to ensure sustainability economic development and growth occur in the area:

- Heavy reliance on government support grant;
- Lack of funding;
- Lack of infrastructure / infrastructure that is aging;
- High unemployment rates;
- Lack of skills;
- Poor access to support services;
- Limited production/ service delivery
- Access to markets

## **Strategic Framework**

The purpose of this sub-section is to integrate the strategies and goals that emerged from the local economic profile and stakeholder consultation. An understanding of their common goals is attained before addressing the details of the strategies, projects and subsequent actions. It is important that these strategies be understood collectively as locally based activities, which serve to:

- Facilitate job creation within Engcobo;
- Promote the reduction of poverty in Engcobo;
- Encourage investment, business retention and expansion;
- Promote the creation and growth of small enterprise owned and managed by Engcobo's entrepreneurs;
- Foster productive economic linkages between Engcobo and wider regional economy;
- Facilitate the development of skills to enable Engcobo's residents to participate in the local economy;
- Enhance the stability and growth prospects of the Engcobo Local Municipality.

## **Development Programmes and Strategies**

For this LED strategy programmes are identified to guide and direct the future integration of the economy of the Engcobo Local Municipality with the relevant:

- Government departments,
- Local municipalities,
- Non-governmental organizations (NGOs) and
- Community based organizations (CBOs).

The following programmes are proposed for further engagement with the relevant stakeholders:

- ➡ Economic Growth

- ➡ Social upliftment;
- ➡ Business and Enterprise Development; and
- ➡ Institutional Development

Based on above, strategies are formulated to address all the fundamental development issues identified in the local socio-economic profile and stakeholder consultations, and to focus efforts on key development opportunities that exist in Engcobo. These strategies take into account the inherent nature and structure of the local economy, and building upon the competitive advantages of the area.

### **Implementation Plan per Sector**

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#### **Programme: Economic growth**

With this programme the aim is to develop a highly focused and effective programme capable of increasing the size of the Engcobo economy and achieving its further expansion. Necessary steps need to be followed to stimulate and grow the identified economic sectors with potential within the municipality. Furthermore, the programme should be cable of fuelling economic growth, new investment into income generating and export promotion activities is required.

Programme	Strategies	Responsible Person	Objectives	Budget	Action/Project
Economic growth	Develop the Retail Sector	<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	To strengthen the commercial and retail sector	<ul style="list-style-type: none"> <li>✓ R7m</li> <li>✓ R1m</li> </ul>	<ul style="list-style-type: none"> <li>✓ Revitalization of the Ngcobo town. <ul style="list-style-type: none"> <li>- Initiating small nodes of development (ie Taxi ranks &amp; parking areas) around town with hawker facilities;</li> <li>- Beautification of the Ngcobo;</li> <li>- Identify and prioritise commerce, retail and services opportunities.</li> </ul> </li> <li>✓ Distribute information on income linkages to business people within the municipal area, in order to promote entrepreneurial activity.</li> <li>✓ Implement ways and means by which small loans can be made available to small businesses.</li> <li>✓ Make provision for micro factories, markets and other infrastructural facilities to small businesses, in order to assist informal traders.</li> <li>✓ Identify and prioritise SMME development opportunities.</li> </ul>
	Develop the Agricultural Sector	<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	Farmer settlement support	R3m	<ul style="list-style-type: none"> <li>✓ Partnership establishment.</li> <li>✓ Agricultural and job development programmes.</li> <li>✓ Farmer support and development</li> </ul>
		<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	Economically sustainable agricultural development	R2m	<ul style="list-style-type: none"> <li>✓ Identification and Development of market opportunities.</li> <li>✓ Development and management of farming plans</li> <li>✓ Infrastructure development.</li> <li>✓ Establish agricultural focus groups for capacity building process.</li> <li>✓ To facilitate micro financing (MAFISA) through the Land Bank.</li> <li>✓ Support CASP (Comprehensive Agricultural Support) for the municipal area.</li> </ul>

		<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	To create an enabling environment for the agricultural sector to establish sustainable agri-processing business and develop new products.	R1m	<ul style="list-style-type: none"> <li>✓ Identify opportunities in the agri- processing of products.</li> <li>✓ Involve the commercial farming sector and farmer unions to identify agricultural products.</li> <li>✓ Identify new potential agricultural products suitable to the climate and soil conditions.</li> <li>✓ Create a policy framework that will enable the establishment of agri- processing plants.</li> <li>✓ Identify potential land for PDI Farmers in consultation with the formal agricultural sector.</li> <li>✓ Set criteria for qualifying PDI farmers in consultation with commercial farmers.</li> </ul>
	Develop Tourism Sector	<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	To identify tourism potential & Increase tourism contribution to the area	R6m	<ul style="list-style-type: none"> <li>✓ Support existing and future tourism development projects;</li> <li>✓ Encourage support for and involvement with the tourism sector by private companies and individuals within the area.</li> <li>✓ Diversify the tourism sector e.g Develop the Arts and Crafts sector.</li> <li>✓ Enable infrastructure development in support of tourism.</li> </ul>
	Develop the light industrial & Manufacturing Sector	<ul style="list-style-type: none"> <li>✓ CHDM</li> <li>✓ Engcobo LM</li> <li>✓ Sector Departments</li> <li>✓ NGOs</li> <li>✓ Private Sector</li> </ul>	To achieve a diversified economy with contribution different areas through the optimisation of local market opportunities.	R500 000	<ul style="list-style-type: none"> <li>✓ Encourage co-operatives in the area that are involved in small scale manufacturing activities – e.g Factory for shoes, fixing tyres, woodwork utilising the plantations in the area...etc</li> <li>✓ Investigate support programmes to promote the establishment and expansion of local industries.</li> <li>✓ Encourage and facilitate partnerships between local entrepreneurs and investors</li> </ul>

## **Programme: Infrastructure development**

While the growth strategy focuses on the promotion and development of the lead sectors of the local municipality, the infrastructure development focuses on strategy that will achieve the distribution of economic benefits and social upliftment, as a way to relieve poverty, create employment opportunities, and establish a sustainable and balanced economy.

Investment in infrastructure can have imperative implications on economic distribution and poverty alleviation. Investing in infrastructure has the following direct consequence in the economy:

- Generation of jobs
- Income
- New business opportunities.

There are also productivity enhancing impacts that are the longest lasting and the most relevant to sustainable growth i.e. provision of water, electricity and sanitation facilities, etc.

The effective management of services- extending services to rural areas, the rapid delivery of services to new business development, prompt response to queries- reduces poverty and contributes to the local business environment. The Municipal Infrastructure Programme provides grants to subsidise the provision of basic services to the poor. The Engcobo Municipality should develop infrastructure investment plans that aim to cater for businesses and individuals, which combine consolidated municipal infrastructure programme funds with private investment and loans where possible. The development goals, strategies and actions needed to ensure social upliftment for communities.

Programme	Strategies	Responsible Person	Objectives	Budget	Action/Project
Infrastructure Development	Ensure the delivery of Basic Infrastructure	Housing Department Engcobo LM	Reduce the housing backlog in the area	Unfunded	Implementation of housing projects
		Engcobo LM Eskom	To ensure connection throughout the other towns of Engcobo Local Municipality and to ensure constant, cost effective and quality supply of electricity to meet National Electricity Regulator (NER) Standards.	Unfunded	Apply for funding to support electricity bulk provision, upgrading and maintenance projects.
		CHDM Engcobo LM	To support the construction of new roads. To upgrade un-constructed roads and streets.	Unfunded	<ul style="list-style-type: none"> <li>✓ Ensure that new networks adhere to applicable standards.</li> <li>✓ Implement loss control systems to reduce water loss.</li> <li>✓ Ensure efficient Traffic Management</li> <li>✓ Develop a service Master Plan and planning designs for future projects</li> </ul>

## **Programme: Business Development and Economic Environment**

Business development involves fostering economic growth and employment generation. Most local economic growth is generated by small and medium sized enterprises (SMMEs) that are already established in the community. It is the growth of the SMME sector that is most efficient in mobilizing existing resources and transferring resources to different uses. SMMEs, via the creation of new businesses and the growth of established ones, provide for the following:

- Increased employment;
- Economic growth and enhanced productivity;
- Innovation due to flexible and dynamic responses to shifts in market demand;

Programme	Strategies	Responsible Persons	Objectives	Budget	Action/Project
Business Development and Economic Environment	Build a conducive Business environment	Engcobo LM Sector Departments DTI	To promote investment and employment opportunities.	Unfunded	<ul style="list-style-type: none"> <li>✓ Provision of appropriate infrastructure, technological capabilities, availability of investment capital, and human resources</li> <li>✓ Accessing DTI offerings and other government incentives vital towards creating an inflow of capital of development within Engcobo</li> <li>✓ Create a system to interact with other important Departments on support for LED.</li> <li>✓ Identify and source all government incentive funding and programmes available</li> </ul>
	Capacity Building and Training	Engcobo LM Sector Departments SETAs	To empower the people of Engcobo (particularly the large number of unemployed and poorly educated) to become economically active and to participate and contribute to the development of the area	Unfunded	<ul style="list-style-type: none"> <li>✓ Provide people with a wide range of technical, vocational and entrepreneurial training programmes;</li> <li>✓ Linkages with the Sector Education and Training Authorities (SETAs), will allow training of individuals in all sectors of the economy in order to broaden the skills base of the municipality.</li> </ul>
	Business Support and Advice	Engcobo LM Sector Departments SEDA	Increase the number of entrepreneurs and ensure effective operation on the existing small businesses	Unfunded	<p>Establishment of Business Support Centre in Engcobo;</p> <p>Linking this initiative to the SEDA programme</p>



## Programme: Institutional Framework

Programme	Strategies	Responsible Persons	Objectives	Budget	Action/Project
Institutional Framework	Institutional Building and Organizational Development	SALGA CHDM Engcobo LM Sector Departments	To ensure coordination between activities, and to establish an institutional organization with sufficient capacity responsible for the implementation of the plan	250 000	<ul style="list-style-type: none"> <li>✓ Establish LED Forum to guide and promote development within Engcobo.</li> <li>✓ Establish LED Task Team to facilitate the implementation of LED strategies, programmes and projects.</li> <li>✓ Undertake capacity building to ensure that LED officials involved are capable of managing the development plan.</li> <li>✓ Ensure sufficient financial and human resources are available to implement the LED Strategy.</li> <li>✓ Establish linkages with district and provincial key role players within the spheres of government.</li> <li>✓ Form partnerships and sources additional funding.</li> <li>✓ Actively identify potential funders to present development opportunities</li> </ul>

## Identified projects

Sector	Project	LED Potential	Funding Potential	Locality
Construction	Construction of the Main Taxi rank	Very High	Chris Hani District; Department of local governments; SANRAL	Engcobo Town
	Small Town Beautification	Very High	Chris Hani District; SANRAL	Engcobo Town
	Construction of the mall	Very High	Developers	Engcobo Town
	Construction of affordable housing	Very High	NHFC	Engcobo Town
Agriculture	Aquaculture	Moderate	Department Environmental Affairs	-
Mining	Quarry mining	Moderate	-	-
Manufacturing	Charcoal manufacturing	Moderate	-	-

## Capacity Building

This can be viewed from the level of civilian education and access to education facilities. The following is a summary of such education status;

## Rural Development

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### Afforestation Programme

The purpose is to implement the priorities that were identified by Eastern Cape Forestry Sector Forum as key issues which need to be addressed in seeking to achieve the following overall goals:

100 000ha of new plantations established and 30 000ha of existing plantations to be rehabilitated by 2025 through the collaborative efforts of the stakeholders which are united towards this vision in the Eastern Cape of which we are concentrating on 30 000ha of

rehabilitation for now, because establishment of a new plantation it can take up to 6 years of afforestation licence application.

### State owned vs. private sector

Due to all operations mentioned above on commercial forestry, competitive examples on personnel issues.

State owned forests	Private sector forests	comments
8 chainsaw operators are harvesting 150 trees per day per person and other 8 assistants debranches and debarking those trees.	A tree harvester/feller buncher operated by one person harvests 150 trees per hour debranched (removal of branches), debarked (removal of bark) and also cut according to the gradings	The machine used in private sector is leaving out 15 people without jobs.
20 people are preparing soil for planting by doing marking and pitting operation, per person is expected to do 200 pits per day. But some of them they don't achieve due to the texture of soil.	A multipit machine that is used for marking and pitting is able to do approximately 6000 pits per day on a nine hour shift and 4800 pits on rock shelf area per shift	18 people will be left without jobs due to the extreme work done by multipit.
Rural communities or sawmillers have access on timber	They have their own sawmills	An opportunity of accessing timber for rural sawmillers is extremely low so there are high chances of closing down.
Growth opportunities are available from one level to another.	Growth opportunities are minimal as most of the time it is operated as family business	Chances are that our youth will experience poor situation for a long time, will not differentiate apartheid and freedom time.

### Key Activities

- The practice of controlling the establishment, growth, composition, health, and quality of forests to meet diverse needs and values and that is called **silviculture, it contains the following:**

**Pruning** is the most common tree maintenance procedure; Common reasons for pruning are to remove dead branches, to remove crowded or rubbing limbs, and to

eliminate hazards. Trees may also be pruned to increase light and air penetration to the inside of the tree's crown or to the landscape below.

- **Thinning** is the cutting down and removal of a proportion of trees in a forest crop. It is carried out primarily to provide more growing space for the remaining trees, which leads to an increase in volume of individual trees.
  - **Fire protection** is the study and practice of mitigating the unwanted effects of potentially destructive fires. It involves the study of the behaviour, compartmentalisation, suppression and investigation of fire and its related emergencies, as well as the research and development, production, testing and application of mitigating systems.
  - **Coppicing** is a traditional method of woodland management which takes advantage of the fact that many trees make new growth from the stump or roots if cut down. In a coppiced wood, young tree stems are repeatedly cut down to near ground level. In subsequent growth years, many new shoots will emerge, and, after a number of years the coppiced tree, or stool, is ready to be harvested, and the cycle begins again.
  - **Weeding** is to remove the unwanted plants in the plantation or woodlot, it can be done manually using slashes or being done chemically using recommended chemicals.
- 
- **Land clearing** is the process of removing trees, stumps, brush, stones and other obstacles from an area as required to increase the size of the crop producing land base of an existing farm or to provide land for a new farm operation. The newly cleared land must be ready for cultivation, including liming and leveling to meet acceptable crop rotation and soil conservation goals.
  - **Planting** it includes baseline, whereby is done to ensure that all trees are growing on a right angled triangle. It also includes marking and pitting.

## The Forestry Sector

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Forestry has the potential to become one of the most productive sectors in the local economy with approximately 5,455ha of forests. The development of a vibrant wood cluster is currently being investigated through the Integrated Sustainable Rural Development Programme.

The main type of wood found in the local plantations is soft wood commonly from pine trees. The table below gives an inventory of the existing types and names of forest plantations and indigenous forests in the municipal area:

	Area	Ward	
Commercial Plantations	Engcobo	11	3 733 ha
	Mbeni, Mboleni, Qulunqu	9	
	Manina	15	
	Mntuntloni	14	
	Nkobongo	4	
Indigenous Forests	Mxikixwa	14	1722 ha
	Gulandoda	15	
	Ngqongqotha	6	
	Mjanyane, Nkobongo, Mqabu		
	Mkhonkotha, Mhlahlane, Khovoti		
	Mngcozo, Waca, Dumba, Eliphakathi, Ntsunguzi		
	Ngquru, Nkcoyi		
	Haba		
	Khalinyanga		
	Qebe, Vakele, Ku “Ta”, Mthala		
	Lubisi		
	Ngxangxasi, Nkotshe		
	Dyubashe, Gqonci, Didwayo, Nqancule, Mgudu		
Sawmills	Transkei Timber		Various sizes.
	Maqwathini		
	Dyampi		
	Javi		
	Lottering		
Source   Department of Agriculture, Forestry & Fisheries.			

## **The Agriculture Sector**

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Agriculture, like forestry has the potential of being the primary active sector in the local economy. However this potential is not adequately utilized. Most households focus on subsistence farming with the most commonly kept livestock being cattle, sheep, goats, horses and donkeys.

There are a number of existing irrigation schemes that lie under-utilized in Ngcacu; Clarkebury; Gqutyini (currently installed) and Mhlophekazi. In addition, another four formal agricultural schemes have been identified in the areas of Mgwali, Ntibaneni, Madzikane and Xuka.

### **Opportunities in Agriculture**

Engcobo has a number of opportunities in the subsistent farming environment that can be developed into sustainable cooperative ventures, namely:

- ✓ Cattle.
- ✓ Sheep.
- ✓ Maize
- ✓ Vegetable
- ✓ Poultry
- ✓ Water

Furthermore, there are a number of opportunities that exist for commercial agriculture including.

- Crop diversification into hemp, essential oils, spices
- Export of the honey bush teas and other high end products
- Export of cattle, sheep wool, pigs and poultry
- Organic livestock farming
- Dairy products

## **The Tourism Sector**

Local Tourism development is a competence of local municipal sphere but currently there is no comprehensive strategy to drive our interventions in this sector of the economy. It is a sector with proven potential but remains under-utilized. All tourism related activities are driven through a Tourism Sector Plan which was developed and adopted by the Council in 2008 and remain in application until 2013, when it will be reviewed.

Established tourist sites are limited although huge potential exists in the municipality to become an eco-tourist hotspot as a result of the scenic beauty, biodiversity richness and cultural tourism.

Potential in this sector exist in the following key areas:

#	Tourism Product	Definition	Location
1	Heritage Sites	Walter Sisulu History Centre	Quthubeni Village & Proposed Hero's Park
		Dr. AB Xuma History Centre	Manzana & Proposed Hero's Park.
		Clarkebury Institution	Clarkebury.
		Elucwecwe Rock Art	Elucwecwe
		Khalinyanga Rock Art	Nyanga.
		Nombihli Rock Art	Gubenxa A/A
2	Rock Art & Caves	Sinqumeni Rock Art	Upper Gqaga A/A
		Dyobashe Rock Art	Upper Gqaga A/A
		Forests & Green Vegetation	All wards
		Birds	All wards
		Seasonal waterfalls	All wards
		Proposed Qoba Game Reserve	Qoba Village
		Cultural Background	where
3	Natural Tourism	Amakhosa Traditional Activities	All wards
		Qutubeni Cultural Village	Quthubeni Village

There are initiatives underway to develop the untapped potential in the following manner:

- 1) Conserve and develop Rock Art and develop trails;
  - Conserve these Rock Arts by protecting the sites by fence so that people do not destroy them.
  - Development of trails that will link these sites and use horses as the transporting mode for the tourists to these sites
  - Introduce entrance fees to these sites when they are protected.
- 2) Development of support facilities like Foot Bridge, accommodation and recreation next to the Water Falls for Tourists.
- 3) Tourism Facilities and Conference centre at Ixuka Drift Art Centre.
- 4) Establish and develop Walter Sisulu History Centre.



#### **5.4. KEY PERFORMANCE 4: FINANCIAL VIABILITY AND MANAGEMENT**

##### **Municipal Financial Viability and Management**

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A detailed situational analysis of the financial sustainability of the Municipality is contained in **Financial Plan below:**

This section deals with financial related key focus areas such as:

##### **Capital Expenditure**

Capital expenditure is budgeted per department and the HOD's monitor their budgets and also Budget and treasury do monitor the budget. Capital expenditure is guided by Asset management Policy and expenditure policy. Capital expenditure includes Movable assets, Intangible assets and Infrastructure Assets. These fall under Property Plant and equipment on the Financial Statements. All capital projects are fully funded and grants relating to capital assets are ring fenced.

##### **Expenditure and Cost Management.**

The expenditure is guided by the supply chain management and expenditure policy. Monitoring is done on a daily basis to ensure that all payments are in accordance with SCM Policy. There is Segregation of duties in this section. Expenditure is guided by the budget approved by the council. Irregular expenditure register is updated on a monthly basis. Controls are in place to ensure that there is no Unauthorised expenditure.

##### **Revenue Management**

Debt and credit control policy is in place, billing is done on a monthly basis, statements are sent to debtors on a monthly basis. A debtor which shows no movements are handed over to attorneys for collection. Revenue management is affected by poor payment of services by rate payers. Reconciliations are done on daily and monthly basis. Readings are done on a monthly basis.

##### **Supply Chain Management**

Supply chain management policy is in place and is inline with the Treasury Regulations. Process manuals have been developed which gives guidance to the process to be followed. Checklist is in place to ensure that the policy has been implemented. Contract register is in place and is updated on monthly basis. All tender committees are in place. Tenders awarded are registered on treasury data base. Monthly and quarterly reports are in place.

**Asset Management**

Asset management policy is in place and approved by the council and is inline with GRAP 17. Assets counts are done on a quarterly basis and all exceptions are followed up and corrected. Asset register is updated on a yearly basis but additions are updated on a monthly basis. Acquisitions are first approved by the HOD and CFO and then captured by the asset clerk. Year end count is done in June. Movements of assets are monitored by HOD's and asset clerk. Infrastructure assets are monitored with the assistance of consultants.

**Financial Reporting**

The following reports are in place:

- ☐ Monthly budget reports
- ☐ Monthly Section 71 reports
- ☐ Monthly and quarterly Revenue Reports
- ☐ Monthly Supply Chain Reports
- ☐ Section 72 report
- ☐ Quarterly Asset management reports

**Budgeting**

Budget process is done as outlined in the MFMA and is approved by the councils as per requirement. Budget is monitored on a daily basis through controls that have been implemented. Monthly Budget reports are prepared and submitted to the Municipal Manager and submitted on a quarterly basis to the council. The section is under resource as it has only one personnel.

## Budgeted Financial Performance (revenue and expenditure)

EC137 Engcobo - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<b>R thousand</b>	<b>1</b>							
<b><u>Revenue By Source</u></b>								
Property rates	2	3 680	3 680	3 680	3 680	3 800	3 994	4 189
Property rates - penalties & collection charges								
Service charges - electricity revenue	2	-	-	-	-	-	-	-
Service charges - water revenue	2	1 544	1 544	1 544	1 544	1 544	1 622	1 702
Service charges - sanitation revenue	2	834	834	834	834	834	876	919
Service charges - refuse revenue	2	643	643	643	643	700	736	772
Service charges - other								
Rental of facilities and equipment		126	126	126	126	194	204	214
Interest earned - external investments		1 650	1 650	1 650	1 650	1 700	1 787	1 874
Interest earned - outstanding debtors								
Dividends received								
Fines		30	30	30	30	100	105	110
Licences and permits		3 150	3 150	3 150	3 150	3 400	3 573	3 748
Agency services						18 978	19 736	20 703
Transfers recognised - operational		103 494	85 482	85 482	85 482	90 982	108 676	139 816
Other revenue	2	280	280	280	280	333	560	587
Gains on disposal of PPE								
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>115 430</b>	<b>97 417</b>	<b>97 417</b>	<b>97 417</b>	<b>122 564</b>	<b>141 869</b>	<b>174 636</b>
<b><u>Expenditure By Type</u></b>								
-	-							
Employee related costs	2	34 757	31 048	31 048	31 048	36 373	37 913	39 771
Remuneration of councillors		9 438	10 303	10 303	10 303	10 041	10 593	11 155
Debt impairment	3	909	909	909	909	600	631	662
Depreciation & asset impairment	2	20 500	5 000	5 000	5 000	10 000	10 510	11 025
Finance charges								
Bulk purchases	2	-	-	-	-	-	-	-
Other materials	8	12 968	8 954	8 954	8 954	11 481	12 066	12 657
Contracted services		-	-	-	-	-	-	-
Transfers and grants		1 568	2 168	2 168	2 168	3 000	3 153	3 307
Other expenditure	4, 5	41 884	49 008	49 008	49 008	42 308	44 769	46 942
Loss on disposal of PPE								
<b>Total Expenditure</b>		<b>122 024</b>	<b>107 390</b>	<b>107 390</b>	<b>107 390</b>	<b>113 803</b>	<b>119 635</b>	<b>125 520</b>
<b>Surplus/(Deficit)</b>		<b>(6 595)</b>	<b>(9 973)</b>	<b>(9 973)</b>	<b>(9 973)</b>	<b>8 762</b>	<b>22 234</b>	<b>49 116</b>

Transfers recognised - capital	6	62 169	67 675	67 675	67 675	38 909	63 873	66 900
Contributions recognised - capital		–	–	–	–	–	–	–
Contributed assets								
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		55 575	57 702	57 702	57 702	47 671	86 106	116 015
Taxation	7							
<b>Surplus/(Deficit) after taxation</b>		55 575	57 702	57 702	57 702	47 671	86 106	116 015
Attributable to minorities								
<b>Surplus/(Deficit) attributable to municipality</b>		55 575	57 702	57 702	57 702	47 671	86 106	116 015
Share of surplus/ (deficit) of associate								
<b>Surplus/(Deficit) for the year</b>		55 575	57 702	57 702	57 702	47 671	86 106	116 015

### Funding

The municipality has a low funding base and relies on MIG for capital expenditure and Equitable Share for operational expenditure.

### Basic Service Delivery and Infrastructure Development

Is responsible for the following activities;

- a) Infrastructure development and construction
- b) Service delivery maintenance
- c) Addressing service backlogs
- d) Development and implementation of capital projects

### Economic Growth and Development

The Economic Development cluster mandate is to create an enabling environment for economy, derived from the following legislations:

- a) Constitution of the Republic of South Africa, 1996;
- b) Municipal Systems Act, 32 of 2000;
- c) National Local Economic Development Framework;

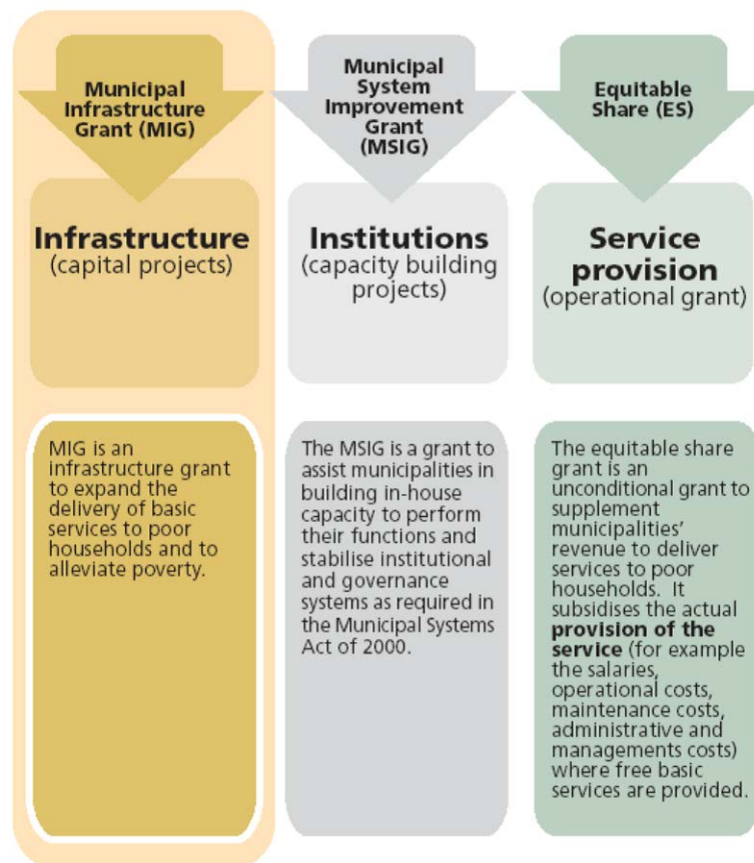
Various interventions have been implemented in support of the Engcobo LM's economy; however the economic recession, macro and micro environmental challenges had a negative impact on economic growth in Engcobo Local Municipality.

Some of the undesirable consequences include, but not limited to the following:

- a) Job losses through retrenchments.
- b) Limited investment attraction.
- c) Declining economy.
- d) Business closures.
- e) Increasing numbers of unemployment.

### Grants Allocated for Service Delivery

The figure below indicate the different types of grants which are available to Municipalities, however such grants are subject to business plans being submitted to National DPLG and the approved from the NDPLG (MIG).



The Financial Plan forms the cornerstone of any planning and financial strategy of Council. The principle within such a financial plan is depending on the resources available to the Council.

## Revenue Base

The municipality's revenue base relies on the following;

- Assessment rates and taxes;
- Refuse removal;
- Motor vehicle licensing and traffic fines,
- Water sales;
- Sanitation
- Hire of halls
- Tender fees
- Learners license and Driver's license fees
- System reticulation
- Toilet fees
- Lease Rentals
- Rental of facilities and equipment
- Cemetery fees
- Agricultural fees

## Funding Streams

As a municipality with low revenue levels, we depend almost entirely on national grants for all our operations. This situation is not sustainable, however we are acknowledging that the solution lies in turning around our local economy's performance and hence our resolve to make LED one of the top-10 priorities of the municipality.

Our current activities are funded through the following mechanisms:

- **Equitable Share:** which we utilise largely to fund our operations
- **MIG:** which is a conditional grant for funding all our infrastructure development programmes
- **MSIG:** which is a grant to fund institutional development and installation of systems and governance plans
- **FMG:** grant aimed at funding the building of capacity in the financial management and system procurement

- **DM Transfers:** moneys received from the district to carry-out planning and implementation of functions that we undertake on their behalf with a service level agreement
- **Extended Public works program:** Grant aimed at poverty alleviation through short term job creation.
- **Electrification Grant:** Grant aimed at electrification of previously disadvantaged rural areas
- **Small Town Revitalization grant:** the grant used to revitalize town
- **Other:** moneys that are not received every year but on an ad-hoc basics from various national departments for activities relating to their functions or specific projects that they've asked the municipality to deliver on their behalf.

### **Application of Funds**

The municipality has a 3 year operating budget as a guide on what resources are available or required over the next three years in order to deliver on its mandates. The council adopted a budget for 2012/17 in May of 2012. In May 2014, the council adopted a reviewed IDP and budget for 2014/15 implementation. We have so far managed to put in place key institutional systems and processes including:

- ☐ a 3 year capital budget and operational budget
- ☐ an SDBIP
- ☐ review and completion of our finance policies
- ☐ an Indigent Policy , credit control, rates policy & debt collection an Internal audit function

### **Internal Sources of funding**

Internal sources of income are expected to contribute as follows to overall income of the municipality:

In May 2013, the council adopted a review IDP and budget for 2013/114 implementation.. We have so far managed to put in place key institutional systems and processes including:

- ☐ a 3 year capital budget and operational budget
- ☐ an SDBIP
- ☐ review and completion of our finance policies
- ☐ an Indigent Policy , credit control & debt collection an Internal audit function

### Internal Sources of funding

internal sources of income are expected to contribute as follows to overall income of the municipality:

	2014/2015	2015/2016	2016/2017
Budgeted Income from internal sources of funding	13,369,750	14,192,900	14,962,312

<b>Rates and Service Charges DETAILS</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Assessment Rates : General	3,000,000	3,162,000	3,332,748
Refuse Service Charges	1,000,000	1,054,000.00	1,110,916
Sewerage Fees	1,000,000	1,054,000	1,110,916.00
Water	1,054,000.00	1,054,000.00	1,110,916
<b>TOTAL</b>	<b>6,054,000</b>	<b>6,324,000</b>	<b>6,665,496</b>

<b>Other Revenue DETAILS</b>	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>
Approval Of building Plans	45,000	47,430	49,991
Agency Fees - Water Services	0	0	0
Blocked Drains	10,000	10,540.00	11,109.16
Cemetery fees	3,000	3,162.00	3,332.75
Connection Fees			



	5,000	5,270.00	5,554.58
DLTC & VTS Fees	3,000,000	3,162,000	3,332,748
Interest on Investments	3,000,000	3,162,000	3,332,748
Pound Fees	50,000	52,700.00	55,545
Reconnection Fees	20,000	21,080	22,218
Registration & Licence Fees	1,000,000	1,054,000	1,110,916.00
Rental : Eskom	6000	6324	6665
Rental : Halls	120000	126480	133309
Rental : Leasehold	72 000.00	75 672.00	79 379.93
Septic Tanks	5250	5533	5832
Swimming Pool	1500	1581	1666
Tender Fees - Projects	150 000.00	158100	166637
Toilets	10000	10540	11109
Traffic Fines	40000	42160	44436
<b>TOTAL INCOME</b>	<b>7,315,750</b>	<b>7,868,900</b>	<b>8,293,816</b>

#### External Sources of Funding

## **CAPITAL FUNDING BY SOURCE**

DETAILS	2013/14	ACTUAL	%	2014/15	20145/16	2016/17
Municipal Infrastructure Grant	32,553,022.00	23,663,959.00	72.69	35,804,000	37,639,000	39,214,000
CHDM Grant	74,263,677.00	3,537,676.00	4.76	36,076,648	30,643,624	32,298,380
Electrification	0			8,000,000	20,000,000	30,000,000
Own Revenue				122,338,824	151,722,677	145,219,911
<b>TOTAL</b>	<b>106,816,699.00</b>	<b>27,201,635.00</b>	<b>25.47</b>	<b>106,816,699.00</b>	<b>106,816,699.00</b>	<b>106,816,699.00</b>

## **Expenditure by Vote**

DETAILS	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Electrification Project	44000000	30000000	0	8000000	20 000 000	30000 000
Equitable Share	66179000	76102485	86604000	103995000	134274000	135782000
Finance Management Grant (MFMA Grant)	1450000	1500000	1550000	1600000	1650000	1700000
CHDM Grant	28267336	22557664	10109947	29073648	30643624	32298380
EPWP	951000	1000000	1000000	1687000	1778098	1874115
Library fees	0	588000	0	0	0	0
Municipal Infrastructure Grant ( 5% for PMU)	21621000	26227000	31257000	35804000	37639000	39214000
Small Town Revitalisation	1483930	1088267		7000000	0	0
Systems Improvement Grant	790000	800000	890000	930000	961000	1019000
LG Sita			94000	0	0	0
<b>TOTAL INCOME</b>	<b>164742266</b>	<b>159863416</b>	<b>131504947</b>	<b>148 764 589.00</b>	<b>206945722</b>	<b>211887495</b>

Expenditure by Vote for the MTERF Period can be tabulated as follows: <b>Department</b>	<b>Budget Year 2014/15</b>	<b>Budget Year +1 2015/16</b>	<b>Budget Year +2 2016/17</b>
Executive & Council	17,741,238	18,414,685	19,409,078
2.1 - Accounting officer Admin	6,131,459	6,462,558	6,811,536
2.2 - Local economic development	21,594,973	22,761,102	23,990,201
Corporate Services	14,166,474	14,931,464	15,737,763
Community services	16,740,421	17,644,403	18,597,201
Financial Services	62,070,138	65,385,525	68,877,244
Infrastructure	51,952,380	54,599,709	57,548,093
<b>Total Expenditure by Vote</b>	<b>186.927.083</b>	<b>197,021,145</b>	<b>207,660,287</b>

In order to support the financial plan various policies were developed, reviewed and adopted on the 30 May 2013 by Council.

#### **Free Basic Service Unit**

Indigent policy is in place and approved by the council May 2013; the unit is undercapacitated as it has only one employee. The register is updated on an annual basis where all awareness campaigns are conducted in all wards of the municipality. The unit is embarking on an alternative energy (Solar) with the assistance of the Department of Energy where all wards will benefit; the programme will start at the beginning of 2014/15 financial year. The unit work hand in hand with sector departments to ensure that the program runs smoothly. Training are being organised to ensure the employees are well equipped.

#### **Indigent Register (Updated)**

Attached

## **Financial Policies**

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The policies are listed below:

### **Revenue enhancement and Collection Policy**

The Local Government Municipal Systems Act no. 32 of 2000, Section 96, rules as follows:

- a) must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and
- b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.”

Engcobo Local Municipality has adopted a Credit Control and Indigent Policy that ensure full compliance to relevant legislation. The principles and objectives of the above are as follows:

- a) Provide for indigents as determined in SALGA guidelines. Council’s policy is very sensitive towards these households.
- b) Ensure that all monies due are collected.
- c) Provide for credit control procedures and mechanisms for debt collection.
- d) Ensure that By-Laws as developed are enforced by officials and public.

The current projections in our budget are realistic and are based on projected revenue for the current financial year based on the collection levels to-date and actual revenue collected in previous financial years.

### **Banking and Investment Policy**

The Council has adopted a policy to ensure that monies received by Council are accounted for as required by Section 64 (b) – (e) of MFMA no. 56 of 2003.

- a) that revenue due to the municipality is calculated on a monthly basis;
- b) that accounts for municipal tax and charges for municipal services are prepared on a monthly basis, or less often as may be prescribed where monthly accounts are uneconomical;
- c) that all money received is promptly deposited in accordance with this Act into the municipality’s primary and other bank accounts;
- d) that the municipality has and maintains a management, accounting and information system which-

- i. recognises revenue when it is earned;
- ii. accounts for debtors; and
- iii. accounts for receipts of revenue;”

Where surplus funds realise or grants are received, Council invests these funds as determined in the investment policy to ensure that minimum risk is realised on these funds.

### **Supply Chain Management Policy**

Council has developed a policy as required by chapter 11 of MFMA no. 56 of 2003. The municipality has established the following Supply Chain Management Committees:

- ☐ Specifications Committee
- ☐ Evaluation Committee
- ☐ Adjudication Committee

### **Asset Management Policy**

The Generally Accepted Municipal Accounting Principles [GAMAP] requirement indicates that it will no longer be good enough merely to have an entry in the financial statement reflecting the value of assets. The requirement is for an asset register substantiating the financial entry. The municipality has a GRAP compliant Asset Register.

Section 35[g] of the Local Government: Municipal Finance Management Bill, 2000 defines one of the responsibilities of the Municipal Manager as being responsible for the management of:

- ☐ The assets of the municipality, including the safeguarding and the maintenance of those assets; and
- ☐ The liabilities of the municipality.

Council has already adopted a Fixed Asset management Policy. Such a policy mainly incorporates and defines the following concepts:

- ☐ Definition of a fixed asset.
- ☐ Role of the Municipal Manager and the Chief Financial Officer.
- ☐ Format and classification of the fixed asset register.
- ☐ Recognition of heritage and donated assets.
- ☐ Identification and safekeeping of fixed assets.
- ☐ Procedure for loss, theft, destruction, or impairment of fixed assets.
- ☐ Capital criteria: Material value, Intangible items: Reinstatement and maintenance expenses.

- ☐ Maintenance Plans, Deferred maintenance, General maintenance.
- ☐ Depreciation: Rate, Method, Alternative methods.
- ☐ Amendment of asset lives.
- ☐ Creation of Non-Distributable Reserves.
- ☐ Carrying values and Revaluation of fixed assets.
- ☐ Verification, Alienation and Write offs of fixed assets.
- ☐ Insurance of fixed assets and Replacement norms.

### **Indigent policy**

Council adopted its indigent policy in 2009 in order to guide how it plans to manage the subsidization of services to households who are poor and defined indigents. This policy forms a foundational element of our comprehensive billing operations. The main challenge for effective implementation of the indigent policy is the costly administration process of continuous updating and verification of the register.

### **Tariff policy**

Tariffs are revised annually as we review and adopt a new budget and in accordance with necessary changes linked to CPIX (CONSUMER PRICE INDEX) and inflation adjustments. Our current policy has been revised to ensure compliance with the new valuation roll (Property Rates Act -2003) requirements. Changes have had to be made in determining rates to the indigent as well as to the generally billed properties. Additionally, changes were effected on the services and municipal facilities that are often rented or provided for a fee.

### **Auditor General Concerns.**

The audit outcome for the financial year 2012/2013 has improved from Disclaimer to Unqualified Audit Opinion. Auditor general has raised some issues that are concerns in our current approach to accounting and reporting. A large number of these relate to Receivables as well as internal control in supply chain processes.

We have since developed and adopted a management response plan to these issues which will be coordinated and led by the CFO. However, each manager is expected to commit a plan of action towards resolving key concerns in the AG report relating to his/her function or processes then report regularly in the management meeting on how he/she is progressing on resolving those items.

The council remains focused in its intention to achieve a clean audit outcome within 2 years and would continue to build necessary capacity in our internal audit, risk management and financial reporting operations. In order for this to happen, efforts will be emphasized on:

- ☐ Need for full compliance with all aspects of the MFMA (GRAP compliant statement) and Property Rates Act (tariff policy linkages to the updated Valuation Roll)
- ☐ Improvement of asset management policy and register
- ☐ Improvement of revenue and billing turnovers / performance
- ☐ Improvement of supply chain management policy compliance
- ☐ Improvement of in year reporting in terms of section 71 and 72 of the MFMA in order to be able to compile year-end report.

### **Audit Action Plan**

ISSUES RAISED	PLAN OF ACTION	TIME FRAME	RESPONSIBLE OFFICIAL	PROGRESS TO DATE	COMMENTS
<b>1. <u>Restatement of comparative figures:</u></b> As disclosed in note 40 to the financial statements, the comparative figures for 30 June 2012 have been restated as a result of errors only corrected during the year ended 30 June 2013 that existed in the financial statements at, and, for the year ended 30 June 2013.	All current year restatements will be effected on the system. All supporting documentation to be attached.	<b>30/04/2014</b>	<b>CFO</b>	<b>0%</b>	Not yet started.
<b>2. <u>Unauthorised and irregular expenditure:</u></b> As disclosed in note 43 and 45 to the financial statements, R60.4 million of unauthorised expenditure and R3.5 million of irregular expenditure respectively, was incurred during the financial year.	<b><u>Unauthorised Expenditure:</u></b> All non-cash items like depreciation and impairments to be budgeted for during the budget process period.  Strict budget control measures implemented to	<b><u>Unauthorised Expenditure:</u></b> <b>30 January 2014</b>  <b>10 February 2014 and on a monthly basis.</b>	<b>CFO</b>  <b>CFO / ACCOUNTANT / B.T.O. / ALL SENIOR MANAGERS</b>	<b>100%</b>  <b>10%</b>	Adjustment budget finalised and submitted to the Provincial Treasury.

	<p>ensure that no item / vote exceeds the budgeted amounts.</p> <p>Budgets to be monitored closely each month by the B.T.O. and the Accountant to control expenditure.</p> <p>The new MFMA circular 71 which contains the Treasury's Cost Containment Plan will be implemented fully to curb unnecessary expenditure.</p> <p>Meetings to be set-up monthly with Senior Managers to discuss their budgets.</p> <p>Monthly S71 budget reports to be submitted by the 10<sup>th</sup> of every month to the MM, Provincial Treasury and the Mayor.</p> <p><b><u>Irregular Expenditure:</u></b> Irregular, fruitless and wasteful expenditure has been reduced significantly in</p>	Ongoing	ALL MUNICIPAL OFFICIALS	Reduced	
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	<p>the last 6 months and that is due:</p> <p>a) To improved controls implemented to eliminate such expenditure.</p> <p>b) Compliance with SCM laws and regulations.</p> <p>c) Ongoing training of user-departments and co-operation and buy-in from user departments.</p> <p>d) A register has been maintained which is reviewed regularly by the Accounting Officer and MPAC and officials are held accountable if after investigations it is established that they did not take the necessary steps to avoid such expenditure.</p>				
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	e) Deviations are only accepted in terms of s36 of the MFMA.				
<b>3. <u>Material losses/impairments:</u></b> As disclosed in note 29 to the financial statements the debt impairment amounted to R3.6 million for the year under review.	Controls have been implemented to reduce the levels of debt impairments. The debt collection policy is fully implemented.  Security measures at the municipal offices has been upgraded in order to reduce theft of municipal assets.  The municipality is about to appoint a new security company to improve security.  Fencing around all municipal building will be upgraded to prevent unauthorised access to municipal facilities.  An asset/inventory count is now conducted on a quarterly basis	Ongoing	<b>CFO / ACCOUNTANT / REVENUE OFFICER / ASSETS CLERK</b>  <b>CFO / TECHNICAL MANAGER</b> <b>31 January 2013</b>	Ongoing	None

	to identify lost/ stolen/ damaged assets.				
<b>EMPHASIS OF MATTER PARAGRAPHS</b>					
<b>1. <u>Usefulness of information – Presentation:</u></b> Section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) requires disclosure in the annual performance report of measures taken to improve performance where planned targets are not achieved. Adequate and reliable corroborating evidence could not be provided for all measures taken to improve performance as disclosed in the annual performance report. The municipality's records did not permit the application of alternative audit procedures.	The municipality is currently emphasizing on the submission of Portfolio Of Evidence (POEs) by directorates on quarterly basis.  The targets being designed in this financial year are being aligned and SMART	On-going	IPED Manager	Midterm report	Compilation of quarterly reports
<b>2. <u>Consistency:</u></b> Section 41(c) of the MSA requires that the IDP should form the basis for the annual report, therefore requiring the consistency of objectives, indicators, and targets between planning and reporting documents. There were material inconsistencies planned and reported performance information and in-year changes to material indicators and targets that were not submitted for approval to council.	Indicators and targets have been aligned with the IDP objectives	August 2013	IPED Manager	SDBIP	None
<b>3. <u>Measurability:</u></b> The National Treasury FMPPI requires that it must be possible to validate the processes and systems that	Service Delivery Budget Implementation Plan (SDBIP) will be aligned	January 2014	IPED Manager	100%	None

<p>produce the indicator. A total of 35% (17 out of 48) of the indicators for Basic Service Delivery objectives were not verifiable in that valid processes and systems that produce the information on actual performance did not exist. This was due to a lack of proper review when indicators and targets were decided on and formulated for inclusion in the IDP.</p> <p>The National Treasury FMPPI requires that performance targets be measurable. The required performance could not be measured for a total of 35% relevant to Basic Service Delivery. This was due to a lack of proper review when indicators and targets were decided on and formulated for inclusion in the IDP.</p>					
<p><b>4. <u>Reliability of information:</u></b>  <b><u>Validity and Accuracy - Reported performance not valid or accurate:</u></b></p> <p>The National Treasury FMPPI requires that processes and systems which produce the indicator should be verifiable, and that the indicators be accurate enough for its intended use and respond to changes in the level of performance. A total of 100% of the actual reported performance relevant to Basic service were not valid and accurate when compared to the evidence provided. This was due to the limitation placed on the scope of my work owing to the absence of information system at the municipality for the collection of performance information against what is reported at</p>	POEs collected and filed	<b>Quarterly</b>	<b>IPED Manager</b>	<b>0%</b>	<b>None</b>

<p>year end.</p> <p>In addition, this was due to a lack of monitoring by senior management, an inadequate review process to verify all supporting evidence before the performance report was submitted for audit, as well as a lack of standard operating procedures that are in line with the requirements of the FMPPI for the recording of actual achievements. Furthermore this was due to lack of non-implementation of processes for collection of corroborating evidence.</p>					
<p><b>5. <u>Completeness - Reported performance not complete:</u></b></p> <p>The National Treasury FMPPI requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. The AGSA was unable to obtain all information considered necessary to his satisfaction as to the completeness of actual reported information. This was due to inadequate processes in existence for data collection to support reported performance information. Therefore, source information for 100% of the actual reported performance relevant to Basic Service Delivery could not be substantiated with sufficient audit evidence.</p>	Collate, compile and submit reports per legislation	<b>Quarterly; Midyear; Annually</b>	<b>IPED Manager</b>	<b>100%</b>	<b>None</b>
<b>COMPLIANCE WITH LAWS AND REGULATIONS</b>					
<p><b><u>Strategic planning and performance management:</u></b></p> <p>1. The performance management system of the municipality did not provide for the</p>	An annual measurement and review was conducted for S56 Managers and the report	<b>September 2013</b>	<b>IPED</b>	<b>100%</b>	<b>None</b>

monitoring of performance and for the measuring and review of performance at least once per year, with no regard to each of the development priorities and objectives and against the key performance indicators and targets set as required by section 41 of the MSA.	was submitted to Council				
2. The performance management system of the municipality did not provide for taking steps to improve performance with regard to those development priorities and objectives where performance targets are not met as required by section 41(1)(d) of the Municipal Systems Act.	The Municipality has a performance framework that was adopted in 2012	<b>2012</b>	<b>IPED</b>	<b>100%</b>	<b>None</b>
3. The audit committee did not review the municipality's performance management system and make recommendations to the council, as required by the municipal planning and performance management regulation 14(4)(a)(ii).	Audit Committee will review the Municipality's PMS and submit the recommendations to the Council every quarter.	<b>Quarterly</b>	<b>Internal auditor/MM</b>	<b>On-going</b>	<b>1st quarter done</b>
4. The audit committee did not review the quarterly internal audit reports on performance measurement, as required by Municipal planning and performance management regulation 14(4)(a)(i)	Audit Committee will review the Municipality's PMS and submit the recommendations to the Council every quarter.	<b>Quarterly</b>	<b>Internal auditor/MM</b>	<b>On-going</b>	<b>1<sup>st</sup> quarter done</b>
5. The internal audit unit did not assess the extent to which the performance measurements were	The 1 <sup>st</sup> quarter has been done and submitted for comments.	<b>Quarterly</b>	<b>Internal auditor/MM</b>	<b>On-going</b>	<b>1<sup>st</sup> quarter done</b>

reliable in measuring the performance of the municipality on key and general performance indicators, as required by municipal planning and performance management regulation 14(1)(b)(iii).					
6. The internal audit did not audit the performance measurements on a continuous basis and submitted quarterly reports on their audits to the municipal manager and the audit committee, as required by municipal planning and performance management regulation 14(1)(c).	The 1 <sup>st</sup> quarter has been done and submitted for comments.	Quarterly	<b>Internal auditor/MM</b>	<b>On-going</b>	<b>1<sup>st</sup> quarter done</b>
7. The annual performance report for the previous financial year was not included in the annual report, as required by section 46 of the MSA and section 21(3)(c) of the MFMA.	Draft Annual report inclusive of annual performance report has been compiled and tabled before Council	<b>January 25</b>	<b>IPED</b>	<b>On-going</b>	<b>N/A</b>
8. The annual performance report for the year under review does not include the performance of each external provider as required by section 46(1) (a) of the MSA.	Annual performance report will include the performance of each external provider in the next review	<b>August 31</b>	<b>IPED</b>	<b>On-going</b>	<b>N/A</b>
9. The annual performance report for the year under review does not include a comparison with the previous year as required by section 46(1)(b) of the MSA.	Annual performance report will include a comparison with the previous performance	<b>August 31</b>	<b>IPED</b>	<b>On-going</b>	<b>N/A</b>
10. The annual performance report for the year under review does not include measures taken to improve performance, as	The draft annual report includes measures to improve	<b>March 31</b>	<b>IPED</b>	<b>On-going</b>	<b>N/A</b>

required by section 46(1)(c) of the MSA	performance				
11. The municipality did not conduct its affairs in a manner which was consistent with its integrated development plan as required by section 36 of the Municipal Systems Act and municipal planning and performance management regulation 6	The municipality has appointed the IDP champion	July 2013	MM/CFO	On-going	
<b>Budgets</b> 12. The municipality incurred expenditure in excess of the limits of the amounts provided for in the votes in the approved budget contravention of section 15 of the MFMA.	See response in unauthorised expenditure above.	See response in unauthorised expenditure above.	CFO / ACCOUNTANT / B.T.O. / ALL OTHER MANAGERS	See response in unauthorised expenditure above.	Adjustment budget finalised and submitted to the provincial treasury.  Template finalised and discussions to be held once the budget is fully loaded onto the system.
13. Monthly budget statements were not submitted to the mayor and the relevant provincial treasury on the within 10 days after each the end of each month, as required by section 71(1) and 81 (1) of the MFMA.	PROMUN will be closed by the 3 of every month in order to ensure that the B.T.O. runs the necessary S71 reports timeously. Copies of the submissions will be submitted to the MM and Mayor's offices.	Monthly	CFO / ACCOUNTANT / B.T.O.	January & February reports submitted timeously.	We have managed to close the system on the 3 <sup>rd</sup> in February. Submissions were made timesouly.
<b>Annual financial statements, performance and annual report:</b> 14. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.	Prior to the AFS being submitted to the auditors, the AFS and accounting file will go through a stringent review process namely: - AFS will be	30 July 2014	CFO / ACCOUNTANT	N/A	To be finalised during the AFS preparation period.



	reconciled to the accounting file by management. - AFS and accounting file will be reviewed by the Internal Auditors, Audit Committee and a competent official independent of the preparation process. - Disclosure checklist will be completed.				
<b><u>Procurement and Contract management:</u></b> <b>15.</b> Goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations as by SCM regulation 17(a) & (c).	All threshold levels as required by the SCM policy to be strictly enforced as non-compliance will result in irregular expenditure. Any deviations must be in line with S36 of the MFMA only.	<b>Daily / Monthly</b>	<b>CFO / ACCOUNTANT / SCM OFFICER / ALL SENIOR MANAGERS AND MUNICIPAL OFFICIALS</b>	All efforts are made to ensure that 3 quotations are obtained. SCM policy is strictly enforced and unauthorised deviations are recorded in the register for irregular expenditure. However, where it is not practical to do so, a deviation letter is prepared where all the circumstances are explained and the expenditure is ratified by the MM. Deviations are avoided by all means unless they are in accordance with S36 of the MFMA.	<b>Any deviations which are not authorised are reported to the MM and investigated further.</b>  <b>Accountant still busy analysing the Jan &amp; Feb 2014 payment vouchers for irregular expenditure and s36 deviations.</b>
<b>16.</b> Bid adjudication was not	<b>The LED</b>	<b>31</b>	<b>MUNICIPAL</b>	BAC now fully	BAC fully

always done by committees which were composed in accordance with SCM regulation 29(2)	<b>Manager has been appointed and now sits on the BAC.</b>	<b>December 2013</b>	<b>MANAGER / CFO</b>	complies with S29(2) of the regulations.	compliant.
17. Sufficient appropriate audit evidence could not be obtained that bid specifications for procurement of goods and services through competitive bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as per required by SCM regulation 27(2)(a).	<b>Members of the bid specification committee appointed.</b>	<b>31 December 2013</b>	<b>MUNICIPAL MANAGER / CFO</b>	Bid specification committee appointed and now fully complies with S27(2) of the regulations.	Specifications committee not functioning as well as was intended. But all specifications are prepared in an unbiased manner so as not to prejudice any suppliers. MM signs off on all adverts and specifications.
18. Sufficient appropriate audit evidence could not be obtained that bid specifications were drafted by bid specification committees which were composed of one or more officials of the municipality as required by SCM regulation 27(3)	<b>Members of the bid specification committee appointed.</b>	<b>31 December 2013</b>	<b>MUNICIPAL MANAGER / CFO</b>	Bid specification committee appointed and now fully complies with S27(2) of the regulations.	See comment above.
19. Contracts and Quotations were awarded to bidders who did not submit declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c)	Mini audit of the SCM unit to be conducted in order to ensure that all suppliers awarded quotations and contracts above R10 000 have signed declaration forms after year as at 31 December 2013.	<b>31 January 2014</b>	<b>ACCOUNTANT / SCM OFFICER</b>	<b>Mini audit completed. All suppliers have signed.</b>	MBD4 and MBD8 is now included in all our formal and informal tenders. So this risk is eliminated.
20. Awards were made to providers who are persons in service of other state institutions, in contravention of SCM regulations 44. Similar	All transactions above R10 000, suppliers are made to sign declaration forms. AGSA	<b>31 January 2014</b>	<b>ACCOUNTANT / SCM OFFICER</b>	<b>Ongoing</b>	The municipality solely relies on the bidder's declaration. If found to be fraudulent, the

awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).	findings will be investigated and if proven to be valid all suppliers reported on will be called to report as this amounts to fraud. The municipality might remove them from the supplier database.				bidder is removed from the database.
<b><u>Expenditure management:</u></b> 21. The accounting officer did not take effective steps to prevent unauthorized expenditure and irregular expenditure, as required by section 62(1)(d) of the MFMA.	See comment under unauthorised and irregular expenditure.	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure
<b>22.</b> An adequate management, accounting and information system was not in place <u>which</u> recognized expenditure when it was incurred, accounted for creditors and accounted for payments made as required by section 65(2)(b) of the MFMA.	Upon receipt all invoices are recorded in the invoices register and then date stamped. The date included in the accounting system is date on the stamp. Accountant to monitor recording of invoices closely.	<b>Weekly / Monthly</b>	<b>EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT</b>	<b>Ongoing</b>	Through daily monitoring, the process has improved remarkably.
<b><u>Revenue management</u></b> 23. An adequate management, accounting and information system was not in place which recognized revenue when it was earned, accounted for debtors or accounted for receipts of revenue, as required by section 64(2)(e) of the MFMA.	The system will be strengthened by ensuring that receipts are recorded and reconciled on a weekly / monthly basis and that updates to the debtors account are also done on a weekly /	<b>Weekly / Monthly</b>	<b>EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT</b>	<b>Ongoing</b>	System is in place.

	monthly basis. The Accountant to increase monitoring by reviewing reconciliations.				
24. Interest was not charged on all accounts in arrears as, required by section 64(2)(g) of the MFMA.	Processes are in progress to charge interest on long outstanding debtors. R-DATA has been engaged to ensure that this is up and running on our system.	<b>31 March 2014</b>	<b>CFO</b>	<b>0%</b>	<b>None</b>
<b><u>Conditional grants:</u></b> 25. Sufficient audit evidence could not be obtained that unspent conditional grant funds were committed to identifiable projects or were approved by the National Treasury for retention as they were not surrendered to National Revenue Fund, as required by section 20(1) of the Division of Revenue Act.	All grant funded projects are committed on the system when a tender has been issued. The funds are also ring-fenced to ensure that they are only spent in accordance with the grant requirements.	<b>Ongoing</b>	<b>CFO / B.T.O.</b>	<b>100%</b>	<b>Grant accounts are project based for ease of monitoring expenditure.</b>
26. The municipality did not submit all project registration plan for projects to be implemented in 2013/14, to the provincial department of local government by 1 August 2012, as required by DoRA Grant Framework, (Gazette no 35399)	Projects submitted	<b>1 August 2013</b>	<b>MM/Technical Manager/CFO</b>	<b>100%</b>	<b>None</b>
27. The municipality did not submit its detailed project implementation plan for projects to be implemented in 2013/14 and 2014/15 financial	To be done in the 2013/14 year of assessment.	<b>31 March 2014</b>	<b>MM/CFO/Technical manager</b>	<b>0%</b>	<b>None</b>

years, to the national department (CoGTA) as required by DoRA Grant Framework, (Gazette no 35399).					
28. The municipality did not evaluate its performance in respect of programmes funded by the allocation and did not submit the evaluation to the transferring national officer as required by DoRA Grant Framework, (Gazette no 35399)	To be done in the 2013/14 year of assessment.	<b>30 June 2014</b>	<b>CFO / ACCOUNTANT / B.T. O.</b>	<b>N/A</b>	<b>None</b>
29. The municipality did not submit its signed activity plan in the prescribed format to the national department (CoGTA) as required by DoRA Grant Framework, (Gazette no 35399).	To be submitted for the 2014/15 year of assessment	<b>31 March 2014</b>	<b>CFO / ACCOUNTANT / B.T. O.</b>	<b>N/A</b>	<b>None</b>
30. The municipality did not submit its monthly expenditure reports within 10 days after the end of each month as required by DoRA Grant Framework, (Gazette no 35399).	Refer to comment on S71 reports	<b>Monthly</b>	<b>CFO</b>	<b>Ongoing</b>	<b>None</b>
<b><u>Asset Management:</u></b> 31. An effective system of internal control for assets, including an asset register, was not in place as required by section 63(2)(c) of the MFMA.	An asset and inventory count is now performed on a quarterly basis. The additions in the Fixed Asset Register are reconciled to the additions contained in the general ledger quarterly.	<b>Quarterly</b>	<b>CFO / ACCOUNTANT / ASSETS CLERK</b>	<b>1<sup>st</sup> quarter count and reconciliation done. Awaiting report from the assets clerk. 2<sup>nd</sup> quarter asset and inventory counts will be finalised by the 31<sup>st</sup> of January 2014.</b>	There is no assets manager, which is a challenge.
<b><u>Liability Management</u></b> 32. A management, accounting and information system which adequately accounts for liabilities was not in place, as required by	A system is in place but requires constant monitoring.	<b>Weekly / Monthly</b>	<b>EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT</b>	<b>Ongoing</b>	There are some challenges but the process will improve with more monitoring.

section 63(2)(a) of the MFMA.					
<b><u>Consequence Management:</u></b> 33. Unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure was not recovered from the liable person, as required by section 32(2) of the MFMA.	It is still under investigation and the way forward will be determined once that process has been finalised.	<b>31 March 2013</b>	<b>CFO / ACCOUNTANT</b>	<b>50%</b>	None.
<b><u>Leadership:</u></b> 34. The municipality has not implemented adequate review mechanisms to ensure that the report on predetermined objectives and the annual financial statements are reviewed for accuracy and completeness prior to submission for audit.	Process are in place to ensure that all performance information reports are submitted and reviewed properly by the MM.	<b>Quarterly / Annually</b>	<b>MM / ALL SENIOR MANAGERS</b>	<b>Draft mid-year performance information reports have been reviewed by the MM.</b>	None.
<b><u>Financial and performance management:</u></b> 35. The municipality remains reliant on the use of consultants to perform financial administration and reporting functions that should be performed by the staff employed by the municipality.  A poor control environment over financial reporting exists as manual reconciliations of accounting records and supporting schedules are required at year end as these controls are not performed on a regular and ongoing basis during the year.  Lack of monitoring, supervision and controls not being implemented, has resulted in misstatements not being identified timeously.	The municipality has advertised and filled some positions so that less reliance can be placed on consultants.  Reconciliations are to be done on a monthly basis by the interns and clerk. Their work is to be reviewed by the Expenditure Officer and Accountant for final approval by the CFO.  Supervision and monitoring to be improved in order to eliminate	<b>Monthly</b>	<b>CFO / ACCOUNTANT / EXPENDITURE OFFICER / EXPENDITURE CLERK</b>	<b>Reconciliations for the 1<sup>st</sup> quarter have been finalised.</b>	<b>Infrastructure fixed asset register is a specialised field and will continue to require the assistance of a consultant in the future</b>

	errors.				
36. The systems or processes for the preparation and reporting of performance against predetermined objectives are not adequate or sufficient.	The IPED manager has been appointed and will champion the reporting of performance information for the institution.	Quarterly	MM / IPED MANAGER / ALL SENIOR MANAGERS	On-going	PMS fully functional; assessments of s57 Managers being conducted
<b><u>Governance:</u></b> 37. The municipality has an audit committee and internal audit unit in place. However, insufficient action was taken by the governance structures within the municipality during the year under review to ensure that risks relating to the monitoring and reporting of financial information, compliance and performance objectives were addressed.	The Accounting Officer will monitor the risks relating to reporting of financial information.	Quarterly	MM/Internal auditor	On-going	None
38. The audit committee did not advise the Council and Accounting officer on matters relating to the adequacy, reliability and accuracy of financial reporting and information which has thus in a number of material misstatements identified through the audit process.	The Audit Committee will report to the Council quarterly	Quarterly	MM/Internal auditor	On-going	None

## **5.5 KEY PERFORMANCE 5: PUBLIC PARTICIPATION AND GOOD GOVERNANCE**

### **5.5.1 IDP MANAGER**

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The IDP is legislated as the role residing with Municipal Manager's office who has in turn delegated IDP responsibilities to the IDP Manager. In terms of the process the IDP Manager is tasked to:

- Ensure that the Process Plan is drafted and adopted by the Municipal Council;
- Manage the local municipal IDP by ensuring that all daily planning activities are performed within an efficient and effective consideration of available time, financial and human resources;
- Encourage an inclusive participatory planning process and compliance with action programme;
- Facilitate the horizontal and vertical alignment of the various internal and external departmental programmes;
- Ensure that the planning process outcomes are properly documented;
- Manage service providers engaged in the municipal IDP process;
- Chair the IDP Steering Committee;
- Nominate persons in charge of different roles.
- Responds to comments on the draft reviewed IDP from the public.
- Adjusts the IDP in accordance with the comments of the MEC for local Government.
- The Municipal IDP Officer will coordinate with various government departments and other HODs to ensure that all the projects, strategies and objectives of the local municipality are shared and distributed amongst government departments so that they might incorporate them in their planning process and vice versa



## 5.5.2 PROCESS PLAN

### Action Plan

SCHEDULE	ITEM DESCRIPTION	DUE DATE	RESPONSIBLE PERSON
Phases	<b>JULY AND AUGUST 2014</b>		
	Review the 2014/2015 IDP/ Budget Process	1-30 July 14	Chief Financial Officer/Myeko
	IDP/PMS/Budget Steering Committee meeting	30 July 14	IPED Manager/Municipal Manager
Pre- planning	Advertise the Council Meeting	07 August 14	IDP Manager
	IGR Meeting	06 August 14	IPED Manager/Municipal Manager
	CHDM Technical IGR Meeting	15 August 14	
	Presentation of Draft IDP Process Plan to IPED Steering Committee	15 August 14	
	Establish process and timetable for the 2014/2015 to 2015/16 Budget Development.	30 August 14	Mayor,
	COUNCIL MEETING: IDP/Budget Process Plan 2014/15 Schedule to be tabled to the Council	28 August 14	Mayor
	2013/14 Financial Statements submitted to Auditor-General	30 August 14	Chief Financial Officer
	Submission of annual performance information to standing committee, Exco and council and to the provincial and national treasury	31/08/14	
	<b>SEPTEMBER-OCTOBER 2014</b>		
Analysis	MAYORAL/ BUDGET STEERING COMMITTEE MEETING: executive committee to meet and identify strategies and guidelines for the development of the 2014/15 to 2015/16 Budgets.	03 September 14	Chief Financial Officer

	Committee should adopt the 'Budget Preparation and Financial Guidelines' proposed.		
	Present process plan to IGR MEETING	03 September 14	
	STEERING COMMITTEE MEETING: - review progress and budget assumptions	06 September 14	
	IDP/Budget Rep forum meeting	05 September 14	Chief Financial Officer
	IDP/Budget road shows	17-26 September 14	Mayor
	CHDM Technical IGR Meeting	18 September 14	
	CHDM IDP/PMS/Budget Rep Forum	19 September 14	
	MEETING WITH DIRECTORS AND MANAGERS: Directorates to be provided with the current Baseline Operating Medium Term Expenditure Forecasts (MTEF) 2014/15 thru 2015/16 that are to be used as a basis for the development of new Operating Medium Term Expenditure	27 September 14	Chief Financial Officer
	Check with National, Provincial Governments and District Municipality for any adjustments to projected allocations for the next three years.	27 September 14	Chief Financial Officer
	IDP/Budget Rep forum meeting	08 October 14	Mayor
<b>KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE</b>			
	Item description	Due Date	Responsible Person
	<b>OCTOBER 2014</b>		
	/ STEERING COMMITTEE MEETING: - review progress and baseline operating	9 October 14	Chief Financial Officer

	budget.		
	Quarterly Reports July-Sept	10 October 14	
	Schedule individual meetings with Directorate to review baseline budget and work progress for completion of changes and supplemental requests	11 October 14	Chief Financial Officer
	IDP/Budget Steering committee	22 October 14	Myeko
	Analysis phase completed	22 October 14	Mahlasela
	Review current tariffs, receive requested changes from directorates and prepare options for consideration	31 October 14	Chief Financial Officer , Accountant
	SUBMISSION OF BASELINE BUDGETS AND SUPPLEMENTAL REQUESTS FROM DIRECTORATES: Final date for submission of all Baseline Operating Budgets, Capital Budgets and Operational plans by Directorates to the budget office.	31 October 14	Directorates
<b>STRATEGIES</b>	<b>NOVEMBER 2014</b>		
	Draft report on proposed tariff changes for review to IDP/PMS/ Budget Steering Committee and review Implementation progress and report on gaps identified during the analysis phase	06 November 14	Chief Financial Officer, Accountant
	IGR Meeting	5 November 14	
	CHDM Technical IGR Meeting	14 November 14	
	CHDM IDP/PMS/Budget Rep Forum	28 November 14	
	IDP/Budget Rep Forum	29 November 14	
	Review of organizational structure		Mayor, Corporate Service Manager
	Prepare first draft of operating and capital medium term budget based on	28 November 14	Chief Financial Officer

	baseline operating budgets submitted by directorates		
	Receive audited Financial Statements and Audit report from the Auditor-General for the 2012/13 financial year	29 November 14	Auditor-General
<b>PROJECTS</b>	<b>DECEMBER 2014</b>		
	MAYORAL / STEERING COMMITTEE MEETING: - review progress, baseline budget report AND DRAFT TARRIFS and prepare for project phase	04 December 14	Chief Financial Officer
	Ordinary Council meeting	11 December 14	Speaker
	<b>JANUARY 2014</b>		
	Sections and directorate meet to discuss strategies and objectives	07-10 January 2015	Managers
	2 <sup>nd</sup> quarterly Reports (Oct-Dec)	03 January 15	IPED Manager
	STEERING COMMITTEE MEETING: - review progress and DRAFT BUDGET	14 January 15	
	MAYORAL COMMITTEE MEETING: PRESENT MIDYEAR PERFORMANCE REPORT TO MAYORAL COMMITTEE: Final review of 2013/14 operating and capital budget for midyear adjustments to mayoral committee for approval to council and submission to the provincial and national treasury	21 January 15	Municipal Manager
	SUBMISSION OF CAPITAL BUDGET REQUESTS FROM DIRECTORATES: Final date for submission of all Capital Budget plans by Directorates to the budget office.	20 January 15	All Managers
	Departmental Strategic Planning Sessions	27-28-January 15	
	Council Meeting for Budget adjustment and SDBIP review	31 January 15	

KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
ALIGNMENT AND ADOPTION	<b>FEBRUARY 2015</b>		
	STEERING COMMITTEE MEETING: - review progress and the DRAFT BUDGET.	03 February 15	
	IGR Meeting	04 February 15	
	IDP/Budget Rep Forum	05 February 15	
	Mid-Year Performance Report by Audit Committee	6 February 15	
	IDP Strategic planning workshop	24,25,26 &27 February 15	
	<b>MARCH 2015</b>		
	STEERING COMMITTEE MEETING: - review progress and DRAFT BUDGET.	06 March 15	
	IGR Meeting	04 March 15	Municipal Manager
	SDBIP performance indicators workshop and service delivery targets for 2014/15 for review.	11 March 15	
	MPAC Hearings on Annual Report	12-13 March 15	Directorates
	CHDM IDP Rep Forum	14 March 15	
	/ STEERING COMMITTEE MEETING: final draft operating and capital budget presented to Mayoral committee for review	19 March 15	Chief Financial Officer
	Executive committee meeting	20 March 15	
	COUNCIL MEETING:	25 March 2015	Oversight Committee

	Council (after consideration of the 2013/2014 Annual Report) to adopt an Oversight Report.		
	COUNCIL MEETING: Operating and Capital draft budget and IDP tabled to Council for consultation with the community	25 March 2015	Mayor
	Submit to National Treasury, Provincial Treasury and the MEC responsible for Local Government the Annual Financial Statements, the 2012/13 annual and audit report and any corrective action taken in response to the findings of the audit report.	28 March 2015	
	CHDM Draft IDP and Draft Budget published. Advertise for public comment (21days)	31 March 15	Administrative Director
	IDP/Budget roadshows - public hearings	7-16 March 15	
	Quarter 3 Performance reporting (Jan - March))	3 March 15	
	Quarter 3 Performance reporting assessment (Jan - March))	10-11 April 15	
	Submit draft budgets in required form to NT, Provincial Treasury	10 April 15	Chief Financial Officer

KEY DEADLINES FOR BUDGET PREPARATION SCHEDULE			
	Item description	Due Date	Responsible Person
	<b>April 2015</b>		
	IGR Meeting	8 April 15	

	Check with National, Provincial Governments and District Municipality for any adjustments to projected allocations for the next three years.	16 April 15	Chief Financial Officer
	Directorates are to provide a list of Capital Projects to be rolled over for inclusion in the 2014/15 Budget to the budget office and cash balances forward for grant projects.	30 April 15	Directorates
	Public meetings and consultation on IDP/ Budget	15- 29 April 2015	Speaker and Mayor
	<b>MAY 2015</b>		
	IGR Meeting	6 May 2015	
	MAYORAL IMBIZO	9 May 2015	MAYOR
	Final Budgets prepared taking into consideration submissions made during consultation process	13 May 15	
	MEETING OF MAYORAL / STEERING COMMITTEE: Approval of FINAL operating and capital budget for presentation to the full council	14 May 2015	
	CHDM Technical IGR	15 May 15	Chief Financial Officer
	CHDM IDP Rep Forum	19 May 15	
	Council Workshop on the Final IDP prior Adoption	21 May 15	
	COUNCIL MEETING: IDP & Budgets for 2014/15 thru 2015/16 adopted by Council along with the Mayor's budget address	30 May 15	Mayor, Finance MM
	<b>JUNE 2015</b>		

	The Service Delivery and Budget Implementation Plans (SDBIP) along with the annual performance agreements for the Municipal Manager and all managers directly responsible to the MM (based on the operational plans and IDP) is to be issued to the Mayor by the MM	13 June 15	Municipal Manager
	IDP & Annual Budget reports to National, Provincial Treasury and the District municipality.	13 June 15	Chief Financial Officer / IDP/PMS Manager
	MAYORAL TO APPROVE SDBIP AND PERFORMANCE	26 June 2015	MAYOR
	AGREEMENTS within 14 days after receiving them.	4 July 15	
	Quarter 4 Performance reporting (April - June))	10-11 July 15	
	Quarter 4 Performance reporting (April - June))		



## Action Plan on MEC Comments

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#	MEC Comment	Engcobo Response
1.	IDP Planning process should be prioritised by S56 Managers and Portfolio Committees in their Oversight responsibility to ensure quality information provided. Clear synergy of issues raised in the IDP to ensure that IDP respond directly to needs of communities	The IDP processes are being prioritised by S56 Managers and Portfolio Committees in their Oversight responsibility. Each Manager reports to a Standing Committee on IDP processes per quarter
2.	Issues of sector departments continues to remain a challenge and commitment of all management in IDP processes is critical	Sector departments are invited and phoned 7 days before the meeting but often they send junior officials who do not submit required information
3.	Cognisance should be taken of all powers and functions that are performed as well as SLA and MOU that exists	Powers and functions of the municipality are included in the IDP
4.	Adherence to the process of legislated time-frames regarding the commencement and completion of the IDP processes	Process plan is adopted by Council and Managers align

## IDP Rating

KPA	Rating 2008/09	Rating 2009/10	Rating 2010/11	Rating 2011/12	Rating 2012/13	Rating 2013/14
<b>Spatial Development</b>	Low	Low	Medium	High	High	High
<b>Institutional Transformation and Organisational Development</b>	Medium	Medium	Medium	High	Medium	Medium
<b>Infrastructure and Service Delivery</b>	Low	Low	Medium	Medium	Medium	Medium

<b>Financial Viability and Management</b>	Low	Low	Low	High	Medium	High
<b>Local Economic Development</b>	Low	Low	Low	High	High	High
<b>Good Governance and Public Participation</b>	Low	Low	Medium	Low	Medium	High
<b>Overall Rating</b>	Low	Low	Medium	High	High	High

## MPAC Oversight

Section 79 of the Municipal Structures Act of 2000 provides for the establishment of Municipal Public Accounts within the municipality and Report to the Council. The MPAC is consists of (8) eight members including the Chairperson and meets monthly as per its terms of reference.

The responsibility of MPAC is to assist the municipality in attending the matters affecting the performance monitoring on financial administration, risk management, internal and external auditing. It strives to achieve this by operating within its terms of reference/Charter which was adopted by the Council in 2012.

## Public Participation Process

The goal of the Engcobo LM on Good Governance and Public Participation is to realize a viable and caring institution that will promote and support a consultative and participatory local government. Good governance is in the main a participatory, transparent, democratic and accountable system of governance.

Developmental local government legislation put in place mechanisms for community interface so as to create enablers to realize good governance within a municipality. The key focal area within good governance is that good governance is a responsibility of all service delivery directorates/units and as such must find a concrete expression in their operational plans. The strategic intent of good governance and public participation is to ensure that Engcobo LM is accessible to its citizens.

Public Participation forms an integral part of the Engcobo Local Municipality IDP process. The IDP process is a continuous process and therefore the process of public participation. During the 2013/2014 Engcobo Local Municipality IDP process, public meetings were conducted with each ward, chaired by the Ward Councillor and assisted by the Ward Committees.

The People's Assembly, comprising of, *inter alia*, 10 Ward Committees, Government Structures, parastatals and service providers, were held during 2013/2014 IDP process plan, where the projects and programmes, SDF and Ward IDP's were presented and inputs were improved.

### **IDP Steering Committee**

The IDP steering committee comprising largely of internal senior management will be tasked to:

- Provide technical and advisory support to the IDP Officer;
- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Officer and the Municipal Council;
- Commission feasibility studies and business plans for projects;
- Commission in depth studies;
- Interact with the Local steering committee local members regarding local projects;
- Prepare, facilitate and document meetings;
- Act as the secretariat for the IDP Representative Forum;
- Meetings shall be held as per the action programme or when considered necessary by the chairperson.

### **IDP Representatives Forum**

This forum is a combination of all major stakeholders in the Municipal area ; it is chaired by the Mayor and is composed of representatives from the following institutions or interest groups:

- Secretariat of IDP steering committee.
- Ward Committees
- Youth groups
- Rate payers
- Traditional Leaders
- Civic bodies & Entities
- NGO's and CBOs
- Sector Departments and the District Municipality

- IDP Steering Committee
- Community development workers

The task of the representative forum shall be to:

- Represent the interest of various constituencies in the IDP planning process.
- Provide an organizational platform and mechanism for discussion, negotiation and decision making between stakeholders.
- Provide a communication mechanism for the exchange of ideas and opinions among the various stakeholder interest groups.
- Participate in the setting up of key performance indicators including the monitoring thereof in line with the performance Management Manual of the Local Municipality.
- Monitor the performance of the planning and implementation process.

### **Roles and Responsibility of Stakeholders**

The IDP planning process includes a wide range of role-players with certain key responsibilities. To enable smooth implementation of the IDP Review action plan the following roles and responsibilities have been allocated in the following manner.

### **Needs Identification and Project Prioritisation**

After all the needs were collected, the projects/programmes were updated and finalized by the end of February 2013. The prioritization of projects was included in the Budget process.

### **Community Participation**

All stakeholder and public participation engagements were undertaken through the guidance provided by the Public Participation Policy which was adopted by Council.

PHASE	PARTICIPATION MECHANISM & PLANNING EVENTS
Analysis	<ul style="list-style-type: none"> <li>▪ Use of workshops to verify data on community priorities</li> <li>▪ Use of ward Committees to verify data</li> </ul>
Strategy	<ul style="list-style-type: none"> <li>▪ Use of IDP representative and LED Forum meetings</li> </ul>
Projects	<ul style="list-style-type: none"> <li>▪ Use of workshops to verify data on community priorities</li> <li>▪ Use of ward Committees to verify data</li> </ul>
Approval	<ul style="list-style-type: none"> <li>▪ Use of workshops to verify data on community priorities</li> <li>▪ Use of ward Committees to verify data</li> </ul>
Monitoring	<ul style="list-style-type: none"> <li>▪ Assessment and Reporting</li> </ul>

## Mechanisms for Public Participation

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Community participation is pivotal to the sustainability of the entire IDP review and implementation process and will occur in the following manner as outlined in the table below:

### PARTICIPATION MECHANISMS

- Use of IDP Representative Forum to verify data & add additional data.
- Use of IDP representative forum to ensure that community priorities are adequately reflected in the IDP.
- Use of Councillors to call meetings to keep communities informed on the IDP progress.
- Publish Annual reports on municipal progress.
- Newspaper advertisements to inform communities of the process.
- Pamphlets/summaries on IDP's
- Making the IDP available for public comment.
- Making the IDP document accessible to all members of the public.

## Appropriate Language Usage

Formal documentation and communication will be done in English but in meetings, participants would be encouraged to use their own language where this would enhance communication and participation. In some instances, interpreters may be used to facilitate smooth communication. Facilitators of meetings would be encouraged to make use of simple language in explaining concepts so that people can understand the process and become empowered to participate in the IDP process.

## Logistics Arrangements

Meetings will be held in Engcobo and transport will be provided for those councillors coming from outlying villages in line with council policy for rebates and stipends. The municipality will be responsible for organizing workshop logistics and venue equipment.

## Service Level Agreements

SLA	Duration
WSP	10 years
DSRAC	2 years
CHDM	2 years
DEADEAT	2 years
Treasury	2 years
SITA	5 years
Comofin	50 years

## Social Cohesion

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### Traditional Dance Championships

#### Background

Traditional Dance Championships is designed to promote Arts, Culture, Entertainment, Recreation, tourism and social cohesion in the Community of Engcobo Municipality and is an annual event that started as the festival in 2007 the initiative gives a platform to performers to showcase their talents, whilst competition among each other. The concept is an opportunity to enjoy and benefit from the rich and diverse Arts and Culture the Nation through participation in various Arts and Culture activities. The event normally is hosted in Heritage month.

Cultural groups compete at ward level then the outstanding group will compete with other groups from other wards at the main event date which is normally hosted in town.

Crafters are given platform to showcase the art work they produce through by displaying in stalls on the day of the event.

The outstanding groups are given prizes by the municipality, for support the prize vary from cash to vouchers for purchasing of traditional material they wear as attire/costumes when performing.

#### Aims and Objectives

- ☐ The Championships aims to foster the development of diverse, vibrant, flourish arts and culture in the district.
- ☐ Building a sense of involvement, encouraging multicultural understanding whilst developing talent.
- ☐ To afford the artists an opportunity to attract resources and share experiences in and culture
- ☐ To raise the level of cultural awareness and pride in the municipal area.
- ☐ To promote and encourage mass participation inn arts and culture.

## **Benefits**

### **Benefits for Community**

- ☐ A regular high Arts and Culture Festival in their doorstep.
- ☐ An opportunity to high home grown talent festival for the benefit of the whole Engcobo
- ☐ An opportunity to build the project to greater heights through constructive participation.

### **Benefits to Groups and Artists**

Whilst the objective to empower the artists in particular around the Engcobo, it must be accepted that this process will have a starting point and then cascade to other people during its duration. It is a fact that artists have benefited from the training programmes ran by the municipality.

### **Mayoral Cup**

Municipal programme for youth (men and women) and it is conducted on yearly basis. The aim is to reduce crime, health society, talent search, reduce ill activities ans so forth. The youth are put together to play different sporting codes such as netball and soccer.

The municipality invites sector departments in the preparations and attendance of the occasion; all 20 wards participate. All sporting code teams receive sport kit at the end of the games and the talent searches become enhanced.

## Community Based Plans for 2014/2015

In addition to the existing ongoing projects and programs identified during the 2012/2017 IDP process, a large number of additional projects will be identified during the respective ward meetings and are included in the 2014/2015 IDP.

Ward 11 Date: 10/10/2013	Need	Challenge
	<p>ROADS</p> <ul style="list-style-type: none"> <li>• Maintenance of roads in:</li> <li>• Tyholweni to Mcinga</li> <li>• Mxesibe</li> <li>• Zola and Nkole</li> </ul> <p>Water Reservoir was requested in ward 10 and also for Ngcobo as a whole.</p> <p>Electricity - Apollo is currently not working, globes have to be replaced for street lights</p>	<p>Meters are paid, but not all people afford to pay water, so the office of indigent is going to identify the most vulnerable houses.</p> <p>IDP documents are needed by the community members and they were complaining that officials promised to give them in the meeting held in All Saints.</p>
Ward 18 Date: 16/10/2013	Need	Challenge
	<p>ELECTRICITY, WATER AND ROADS</p> <ul style="list-style-type: none"> <li>• Ngquru - electricity, water and Access Road.</li> <li>• Mandebe- water taps and toilets.</li> <li>• Mandlaneni- water and electricity.</li> <li>• Bovu - water and electricity.</li> <li>• Luxeni- water pipes next to the road near Siseko.</li> </ul>	
Ward 20 Date: 15/04/2014	Need	Challenge



	<p>The following schools require permanent structures:</p> <ul style="list-style-type: none"> <li>• -Makukhanye Sinqumeni</li> <li>• -Mbabakazi</li> <li>• -Hlophekazi</li> <li>• -Xhokonxa</li> </ul> <p>Request pre school at Hlaba and Beki Request for more classes and furniture at Dolophini S.S.S</p> <p>ROADS MAINTANANCE</p> <ul style="list-style-type: none"> <li>• -Ngqondo</li> <li>• -Stholeni</li> <li>• -Gqaga-mbabakazi</li> <li>• -Sigubudwini</li> <li>• -Manzindaka</li> <li>• -Sinqumeni</li> </ul> <p>ELECTRICITY</p> <p>There is no electricity at:</p> <ul style="list-style-type: none"> <li>• Lower Stholeni</li> <li>• Mncayi</li> <li>• Hlophekazi</li> <li>• Mbhabakazi</li> <li>• Xhokonxa</li> <li>• Beki</li> <li>• Hlaba and Gubenxa (Kwagcina and Makhumbaneni)</li> </ul> <p>NEW ROADS</p> <ul style="list-style-type: none"> <li>• Nkanga - Stholeni</li> <li>• Nqancule - Gubenxa</li> <li>• Ngqokoqheni-Beki</li> <li>• Nqancule via Zingcuka-Mtyhotywa</li> <li>• Mbabakazi - Dyobhashe</li> </ul> <p>SHEARING SHED</p> <p>Requested shearing shed at Xhokonxa</p> <ul style="list-style-type: none"> <li>• Nqancule</li> <li>• Lower Sitholeni ( Mdeni)</li> </ul> <p>DIPPING TANK</p> <ul style="list-style-type: none"> <li>• Request for dipping tank at Nqancule</li> <li>• Mdanjelwa</li> <li>• Lower Sitholeni</li> </ul> <p>Communication - Network poles for</p>	<p>The community raised a point that at Sinqumeni there are about 54 households that have been electrified and unsurveyed due to insufficient funds</p> <p>The company recruited for sanitation completed the project without paying the laborous</p> <p>Toilets are full and need to be emptied attention.</p> <p>A network problem with their mobile phones</p>
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	<p>the whole ward</p> <p><b>SANITATION</b></p> <p>There is no sanitation in the following villages:</p> <ul style="list-style-type: none"> <li>• Hlaba</li> <li>• Beki</li> <li>• Hlophekazi</li> <li>• Xhokonxa</li> <li>• Dyobhashe</li> <li>• Gubenxa (Kwagcina and Makhumbaneni)</li> </ul> <p><b>WATER</b></p> <p>There is no water in the following villages:</p> <ul style="list-style-type: none"> <li>• Gubenxa</li> <li>• Lower Sitholeni</li> <li>• Hlaba</li> <li>• Nqancule</li> <li>• Sinqumeni</li> </ul>	
<b>WARD 16</b> <b>DATE : 16/04/2014</b>	<b>Need</b>	<b>Challenge</b>
	<p><b>WATER</b></p> <p>There are no taps in the following areas:</p> <ul style="list-style-type: none"> <li>• Ndungwane</li> <li>• Tafeni</li> <li>• Upper Luxeni</li> <li>• Lower Luxeni</li> <li>• Mandebe</li> <li>• Ngqurhu (phesha kwe Nkununu)</li> </ul> <p>Non Functional water taps in the following areas:</p> <ul style="list-style-type: none"> <li>• Mpompeni</li> <li>• Emdeni</li> <li>• Nqinwayo</li> <li>• Sitebe</li> <li>• Ngqurhu</li> <li>• Mandlaneni</li> <li>• Luxeni</li> <li>• Mangxongweni</li> </ul>	<p>Ward 16 is under cluster 11 where the big dam is constructed at caca; there is no running water at mpomponi village.</p> <p>DME has given the engcobo l.m R10M. There are people who paid money to eskom for electrification</p> <p>Social grants are not accessed by all</p> <p>Schools being constructed are mud structure</p> <p>Dipping tank was constructed at zihlangu but it is not completed.</p>

	<ul style="list-style-type: none"> <li>Emampondweni</li> </ul> <p><b>ELECTRICITY</b> There is no electricity in the following areas:</p> <ul style="list-style-type: none"> <li>Ngqurhu</li> <li>Phesheya Kwe Nkununu 18 households</li> <li>Ntseleni 12 households</li> <li>Manuneni 18 households</li> <li>Sithebe 14 households</li> </ul> <p><b>ROADS</b></p> <ul style="list-style-type: none"> <li>Tarring of clarkebury road.</li> <li>Mbanga access road from mjanyana hospital needs to be tarred. Mandebele access road needs maintenance and surfacing</li> </ul> <p>The access road has to be moved beyond the royal house of zululiyazongoma</p> <p><b>NEW ROADS</b></p> <p>Manuneni – mbhashe via mhaga Zihlangu-mbokotwane</p> <p><b>SANITATION</b> There is no sanitation in the whole ward</p> <p><b>COMMUNITY HALL</b></p> <p>They request Community Hall at Esithebe (next to the Clinic)</p>	
<b>WARD 07</b> <b>DATE : 23/04/2014</b>	<b>Need</b>	<b>Challenge</b>
	<p><b>ROADS</b></p> <p>Requested for Gubenxa Access road.</p> <p><b>RURAL DEVELOPMENT</b></p> <p>Fencing of their fields and tractor assistance during the ploughing season.</p> <p><b>SCHOOL</b></p> <p>Requesting transport and crèche</p> <p><b>HEALTH</b></p> <p>They request mobile clinic at Gubenxa</p>	They have a problem of the infields

	a/a Housing  RDP HOUSES The whole ward needs RDP houses	
<b>WARD 10</b> <b>DATE : 24/04/2014</b>	<b>Need</b>	<b>Challenge</b>
	<p>WATER</p> <p>Backlog fixing in the following areas:</p> <ul style="list-style-type: none"> <li>• Gadini</li> <li>• New town</li> <li>• Mxesibe</li> <li>• New rest</li> <li>• Zola</li> <li>• Nyanga</li> <li>• Sixholosini</li> <li>• Mcinga and nkole</li> </ul> <p>PROJECTS 2014</p> <ul style="list-style-type: none"> <li>• Hospital fencing</li> <li>• Sanitation</li> <li>• shearing shed</li> <li>• baking project</li> <li>• recycling</li> <li>• family preservation</li> <li>• high mast</li> <li>• computer at nyanga</li> </ul> <p>ROADS PRIORITIZED</p> <ul style="list-style-type: none"> <li>• Tyholweni to mcinga</li> <li>• Mxesibe to hospital</li> <li>• Nkole road need to be upgraded</li> </ul>	<p>There is a problem of illegal connection of water especially at All saints. Chdm trained people to be a working team to upgrade the standard of water.</p> <p>Big rocks in the area.</p>
<b>Ward 17</b> <b>DATE: 16/04/2014</b>	<b>Need</b>	<b>Challenge</b>
	<p>ACCESS ROADS</p> <p>They request a road from</p> <ul style="list-style-type: none"> <li>• Clinic – guide centre</li> <li>• Bashe j.s.s – Mamfengwini,</li> <li>• Mandlaneni – Zwelilungile P.J.S</li> <li>• Slab at Qwabi access road</li> <li>• R61-Mdeni</li> <li>• T 37 – Upper Manyisane</li> <li>• Esidakeni via guide centre – clinic</li> <li>• Mdeni and Ndimma</li> </ul> <p>The dipping tanks are old</p> <p>WATER</p>	<p>The challenge that they encounter is that the budget that they receive is limited so they don't construct two roads in the same financial year</p> <p>They were not agree on this road but they want it to be finalized</p> <p>In the construction of didi access roads, there is a problem concerning the meal fields</p> <p>Not all the Engcobo people understand English very well</p>

	<p>They request the</p> <ul style="list-style-type: none"> <li>• Upgrading of the capacity of Nkondlo Gqobonco water scheme</li> <li>• Madlaneni</li> <li>• Didi</li> <li>• Additional water standpipes at Ntibaneni and Nkondlo</li> </ul> <p>ELECTRICITY</p> <p>Electrificity at:</p> <ul style="list-style-type: none"> <li>• Didi</li> <li>• New Houses at Mdaca</li> <li>• Ntibaneni</li> <li>• Mangxongweni</li> <li>• Apollo light at Guide Centre</li> </ul> <p>SANITATION</p> <p>There is no sanitation in the whole Ward</p> <p>Co-operatives must be formed</p> <p>Provision of tractors seasonally</p> <p>Youth structure, women structure must formed</p> <p>Sport activities must be created</p>	<p>Abuse of alcohol, violence and rape</p> <p>Children are in danger when there are heavy rains</p>
<b>WARD 15</b> <b>DATE: 25/04/2014</b>	<b>Need</b>	<b>Challenge</b>
	WATER AND SANITATION	The new households are not

	<p>Engcobo municipality together with CHDM should hold a meeting in early May to present water and sanitation budget projects</p> <p>ROADS</p> <p>The ward has identified the roads for maintenance:</p> <ul style="list-style-type: none"> <li>• R61 (ngxogi) to siphambukeni bokleni Sigangeni to matankwini</li> <li>• Ngxogi to mafusini to rasimeni</li> <li>• Xuka bridge via rasi to msintsana to gulandoda junction</li> <li>• Dayini junction to gcabhalata</li> <li>• Bokleni junction to giben</li> <li>• Sentube via komkhulu to ngxangxasi</li> </ul> <p>PRIORITIZED ROADS</p> <ul style="list-style-type: none"> <li>• Sigangeni to matakweni,</li> <li>• Madotyeni to gcabalata,</li> <li>• Sigadleni junction to msintsana,</li> <li>• Xuka bridge to anglican church (msintsane)</li> </ul> <p>NEW ACCESS ROADS</p> <ul style="list-style-type: none"> <li>• Sentube to ngxangxasi,</li> <li>• Bokleni junction via ngubezulu pjs to gcabhalata to noncasa,</li> <li>• Gingqi to mrhotshozweni</li> </ul> <p>A technical school.</p>	registered with Engcobo L.M
<b>WARD 04 DATE 22/04/2014</b>	<b>NEED</b>	<b>CHALLENGE</b>

	<p>BRIDGE</p> <ul style="list-style-type: none"> <li>• at Ntlalukana</li> <li>• a foot bridge in the following areas</li> <li>• Cobosi- Nkwenkwana</li> <li>• Ncityane- Phesheya Komgwali</li> </ul> <p>ACCESS ROADS</p> <p>the finishing of Cobosi Access Road from 5 star to Mandlaneni</p> <p>ROADS</p> <ul style="list-style-type: none"> <li>• Cobosi Access Road from 5 star to Mandlaneni</li> <li>• Machibini to Xhibeni</li> <li>• Mandlaneni to Mjanyane</li> <li>• Mjanyana to Siphendu</li> <li>• Gotyibeni to Mazizini</li> <li>• Matiwane to Mkroyiya via Mazosiwe to Tankwini</li> <li>• Skom to Mchuba</li> <li>• Mfihlo to Sihlabeni</li> <li>• Mvoti Sikolo via Makhumeni to Thambeka</li> </ul> <p>ROAD MAINTANANCE</p> <ul style="list-style-type: none"> <li>• Mfihlo via Mdeni- Ngcacu Bridge</li> <li>• Skom - Ntlalukana</li> </ul> <p>SCHOOLS</p> <ul style="list-style-type: none"> <li>• Building of Emizamoyethu</li> </ul>	<p>No service delivery maintenance</p> <p>Gravel roads</p>
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	<p>S.S.S</p> <ul style="list-style-type: none"> <li>• Bazindlovu</li> <li>• Addition of classrooms at Cobosi J.S.S</li> </ul> <p>DAMS - required in the whole ward</p> <p>DIPPING TANKS- Renovation of dipping tanks in the whole ward</p> <p>WATER</p> <p>Additional of water taps in the following areas:</p> <ul style="list-style-type: none"> <li>• Ntlalukana</li> <li>• Gotyibeni</li> <li>• Cobosi</li> </ul>	
<b>WARD 02 DATE 23/04/2014</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Construction of mall and taxi rank</p> <p>ACCESS ROADS</p> <ul style="list-style-type: none"> <li>• Nkomponi</li> <li>• Mangweni</li> <li>• 1Cwecweni – Maqomeni</li> <li>• Mzwini</li> </ul> <p>PROCESSIONING OF GRAVEL HEAPS</p> <p>Processing of gravel heaps in all their gravel roads where they have been off loaded</p> <p>SMME development</p> <p>ROAD MAINTANANCE</p> <ul style="list-style-type: none"> <li>• Xonya</li> <li>• Cweccweni</li> </ul> <p>DIPPING TANK</p>	



	<p>Cconstruction of dipping tank at Ngwevana</p> <p>Maintenance of dipping tanks in the following areas:</p> <ul style="list-style-type: none"> <li>• Mqonci</li> <li>• Ntlakwevenkile</li> <li>• Xonya</li> <li>• Cwecweni</li> </ul> <p>SCHOOLS - Extension of Cwecweni s.s.s. by 10 classrooms</p> <p>FENCING OF MEAL FIELDS</p> <p>Fencing of the meal fields in the following areas:</p> <ul style="list-style-type: none"> <li>• Cwecweni</li> <li>• Mqonci</li> <li>• Xonya</li> <li>• Ngwevana</li> </ul>	
<b>WARD 11 DATE 25/04/2014</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>ELECTRICITY</p> <p>Ward 11 is in cluster 5; many households are unelectrified</p> <p>Areas which do not have electricity are:</p> <ul style="list-style-type: none"> <li>• Ngxingweni</li> <li>• Tar</li> </ul> <p>WATER</p> <p>More taps are requested especially at Zadungeni</p> <p>Areas which do not have water are:</p> <ul style="list-style-type: none"> <li>• Chefane Hook</li> </ul>	No service delivery maintenance

	<ul style="list-style-type: none"> <li>• Macebeni</li> <li>• Nkanini</li> <li>• Mthala</li> <li>• Ngxingweni</li> </ul> <p>ROADS IN PIPE LINE</p> <ul style="list-style-type: none"> <li>• Gqutyini to Ngxingweni</li> <li>• R58 to Chefane (maintenance)</li> </ul> <p>NEW ROADS</p> <ul style="list-style-type: none"> <li>• Gqutyini jss to Ngxingweni</li> <li>• Qunta to Nkanini,</li> <li>• From R58 to Emkhenqeni</li> </ul> <p>LED must assist in creating big projects</p> <p>DIPPING TANK</p> <p>Dipping tank at</p> <ul style="list-style-type: none"> <li>• Chefane Hoek</li> <li>• Zadungeni</li> </ul> <p>Clinic at Gqutyini A/A</p>	<p>Cattle and sheep are dying in winter</p> <p>Long distance walk to the nearest clinic which is Zadungeni</p>
<b>WARD 03 DATE 24/04/2014</b>	<b>NEED</b>	<b>CHALLENGES</b>

	<p><b>NEW ACCESS ROADS</b></p> <p>They request new roads in the following villages:</p> <ul style="list-style-type: none"> <li>• Mazizini- Shushwane</li> <li>• Bekileni – KwaDila</li> </ul> <p><b>MAINTAINANCE</b></p> <ul style="list-style-type: none"> <li>• Ntsimba Clinic- Ntsimba j.s.s</li> <li>• Ekunene -Bekileni</li> </ul> <p><b>ELECTRICITY</b> - New houses need electricity in the whole ward</p> <p><b>BRIDGE</b></p> <p>They request bridges in the following areas:</p> <ul style="list-style-type: none"> <li>• Zwelihle- Mazizini</li> <li>• Makhaxeni – Quluqu</li> </ul> <p><b>SANITATION</b> - There is no sanitation in the following areas:</p> <ul style="list-style-type: none"> <li>• Makhaxeni</li> <li>• Mdeni</li> <li>• Mawuleni</li> </ul> <p><b>COMMUNITY HALL</b></p> <p>They request community hall at Dabulangwe</p> <p><b>PROJECTS</b></p> <p>This following project need assistance:</p> <ul style="list-style-type: none"> <li>• Ntsimba poultry project</li> <li>• Mjikelweni Carpentry</li> </ul>	
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	<ul style="list-style-type: none"> <li>• Bekileni Garden</li> </ul> <p>DIPPING TANK</p> <p>They request maintenance of Ntsimba Dipping Tank</p> <p>Tora Dipping Tank</p> <p>SCHOOLS</p> <ul style="list-style-type: none"> <li>• KIDSTON School</li> <li>• Silimela s.p.s</li> </ul> <p>CLINIC</p> <p>They request a clinic at Ntsimba A/A</p> <p>FENCING OF GRAZING LANDS</p> <p>Fencing of the grazing lands in the following areas:</p> <ul style="list-style-type: none"> <li>• Ntsimba</li> <li>• Qanguleni</li> <li>• Shushwane</li> <li>• KwaDila</li> <li>• Mazizini</li> </ul> <p>FILLING OF DONGAS - Filling of Dongas in the whole ward</p> <p>WATER</p> <p>The upgrading of water is in process but an addition of taps in the following areas is needed:</p> <ul style="list-style-type: none"> <li>• Mawuleni</li> <li>• Makhaxeni</li> <li>• Bhekileni</li> <li>• Mjikelweni</li> <li>• Ekunene Qanguleni</li> </ul>	
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	<ul style="list-style-type: none"> <li>• KwaDila</li> <li>• Shushwana</li> <li>• Mazizini</li> </ul>	
<b>WARD 14 25/04/2014</b>	<b>NEEDS</b>	<b>CHALLENGES</b>
	<p>ROADS - A road from KwaGcina to Ndungunyeni via Silo J.P.S</p> <p>Caca area lacks sanitation</p> <p>Electrification at Xuka and Maqanda</p>	The consultant did not finish the installation at these areas
<b>WARD 09 DATE 24/04/2014</b>	<b>NEEDS</b>	<b>CHALLENGES</b>
	<p>ROADS</p> <p>Cottage to Goboti Access road earmarked for 2012/13</p> <p>The Access road to Sigangeni Location</p> <p>ELECTRICITY</p> <p>Apollo within the whole ward</p> <p>WATER</p> <p>They request Jojo tanks at Ntsunguzini</p> <p>COMMUNITH HALL</p> <p>They request Comm Hall at Tsazo</p>	
<b>WARD 05 23/04/2014</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>NEW ACCESS ROADS</p> <ul style="list-style-type: none"> <li>• Malangazana to Maqanda</li> <li>• Maqanda to Komkhulu</li> <li>• Qota p.j.s to Mpompeni</li> </ul> <p>SANITATION</p>	It is difficult to travel on the road especially on rainy days

	<p>The whole ward have got sanitation</p> <p>WATER</p> <p>Areas without water:</p> <ul style="list-style-type: none"> <li>• Ngcacu</li> <li>• Nkwenkwana</li> <li>• Mdaca</li> </ul> <p>Shortage of borehole at:</p> <ul style="list-style-type: none"> <li>• Vetyu</li> <li>• Malangaza</li> <li>• Nkwenkwana</li> </ul> <p>BRIDGES - A bridge from Malangaza to Quluqu at Mgwali River</p>	<p>Their toilets needs to drained</p> <p>Shortage of water in the mentioned areas</p> <p>It is difficult for school children to pass there especially on rainy days</p>
<b>WARD 2 DATE: 09/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>There is no electricity, sanitation , Access road, Dipping tanks, Fencing of mealie fields' Housing projects</p> <p>Roads were listed that are to done and those that are to be maintained.</p>	
<b>WARD 07 DATE: 17/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Areas without water at:</p> <ul style="list-style-type: none"> <li>• Mandlaneni</li> <li>• Lower Beyele</li> <li>• Lutotweni</li> <li>• Tshobane</li> <li>• Ndalasi</li> <li>• Nyathi</li> <li>• Nkonkobe</li> <li>• Nkawe</li> </ul>	

	<p>There must be an addition of water taps at:</p> <ul style="list-style-type: none"> <li>• Ntlakwendlela</li> <li>• Kwangxabane</li> <li>• Lower Beyele</li> <li>• Kwa Bhadi location need water urgently because of children hit by vehicles when crossing the roads to fetch water</li> <li>• </li> </ul> <p>Access road is needed from Badi to Fama</p> <p>Electricity is needed at Lutotweni,Emangxongweni,Nyati</p> <p>Toilets are needed at Mandaweni and Tshobane</p> <p>River crossing from Beyele to Sigangeni</p> <p>Colbert is needed at Mdalapi and Tshatshatsha</p> <p>All the diesel pumps must be converted from Diesel pumps to Electric pumps</p> <p>Borehole at Qumanco farm has to be changed</p> <p>Additional diesel engine at Qoba,Sigangeni</p> <p>Needs for the food parcels</p> <p>Use of windmills</p> <p>Temporal measures to put in Jojo Tanks at Mandaweni</p> <p>Sport grounds needs to be levelled</p> <p>Development of under bridges for</p>	
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	<p>flack</p> <p>Farmers from Ntwashini have built a shearing shed own their own because Agriculture promised to build one for them but did not</p>	
<b>WARD 04 DATE: 08/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p><b>WATER</b></p> <p>Cllr Jabanga explained to the community that the contractors if fixing the water scheme at Nkondlo and water trucks are paused for a moment due to financial constraints.</p> <p><b>ROADS</b></p> <p>The roads are needed in the following villages:  Sihlabeni, Chibini, Mampingeni, Matakini, Mjanyane, Dzele, Zulayo-Phemile, Rusternberg-Mgorho, Mnkabane-Gorito, Tribal – Tyela, Damane – Noxolo Mvotisi, Nzame</p> <p><b>ELECTRICITY</b></p> <p>Electricity the service provider was fired due to its incompetence and another one is about to be appointed. For Gutubeni Cllr Macingwane explains that they are waiting for surveyor's to surveys before they will come for the installation of electricity</p> <p><b>SANITATION</b></p> <p>The SGB member request toilets for Khanyo –Lwethu high school. They request the Municipality to continue with the project of Toilet installation. Cllr Macingwane replies to them saying that in November the contractor will there to finish the project.</p>	



	<p>COMMUNITY HALL</p> <p>The community needs another community hall (do not specify where)</p> <p>RIVER CROSSING</p> <ul style="list-style-type: none"> <li>• River crossing from:</li> <li>• Malangazana Kuhleka</li> <li>• Maya</li> <li>• Mazizini</li> <li>• Nonkole</li> <li>• Mthambeka</li> <li>• Kwelenqwelo</li> </ul>	
<b>WARD 09 18/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>WATER</p> <p>Water covers the whole ward. Other villages need extensions on water pipes</p> <p>ROADS</p> <p>She explains to people of ward 09 about the cottage Acc Road and told them that there are some other access roads on other wards. She also explains to them about those who are registered on MIG</p> <p>ELECTRICITY</p> <p>It covers the whole award since 1998 except Ntsunguzini and Dywabasini she explains to the people what happened to these villagesRDP</p> <p>HOUSES</p> <p>Four RDP houses are about to be built, rural housing at Goboti are in process</p> <p>They request the upgrading of the Gobothi Bridge</p>	

<b>DATE: 08/10/2013 WARD 06</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>They complain about the poor access roads from Goso to Ngxebe and Thafeni.</p> <p>Water system should be changed as it was benefiting few administrative areas all in all they prioritised issue of access roads especially in Thafeni</p>	
<b>DATE: 08/10/2013 WARD 05</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Road from Nkwenkwezi to Hleke.</p> <p>Road maintenance from Roma to Ngcacu, From Ngacu to Cobosi</p> <p>There is no Clinic in Ngcacu and Maqanda people take 19 kms from Ngcacu to Luhewini Clinic</p> <p>They are initiating the following projects Maize Meal Project (Nkwenkwezi A/A) Masihlangabezane maize meal Project (Ngcacu A/A); need support</p> <p>They are requesting a sheering shed at Nkwenkwezi, Vetyu and Ngcacu</p> <p>Dipping must be fixed in the whole ward</p>	<p>There is scarcity of water in the whole ward</p> <p>No sanitation in the whole ward</p> <p>Some of the villages do not have electricity and in the following villages; Ngcacu and Maqanda the project is in progress</p> <p>There is only one poultry project at Vetyu and is funded by Social Development</p>
<b>WARD 12 DATE: 11/10/2013</b>	<b>NEED</b>	<b>CHALLENGE</b>
	<p>ACCESS ROADS</p> <ul style="list-style-type: none"> <li>• KwaGcina to Ndungunyeni via Silo J.P.S</li> <li>• Caca</li> </ul> <p>MAINTANANCE OF ROADS</p> <p>Maintenance for Mcobololo Access</p> <p>ELECTRICITY</p> <p>Installation of electricity is in process</p>	<p>In rainy days people have got a challenge to go to their homes with their cars</p> <p>Mcobolo access road is not yet finished</p>

	<p>at Eluhewini</p> <p>They request the electrification of the new households in the whole ward</p> <p>There are some households at Mhlontlo which does not appear on the map so they request Solar system</p> <p>WATER</p> <p>They request the upgrading of water scheme at Ndungunyeni</p> <p>They request extension of water scheme at Mchobolo</p> <p>Request of water taps extension at</p> <ul style="list-style-type: none"> <li>• Caca</li> <li>• Mhlontlo</li> </ul> <p>DIPPING TANK</p> <p>They request dipping tanks in the following areas</p> <ul style="list-style-type: none"> <li>• Caca</li> <li>• Chefane</li> </ul> <p>SPORT FACILITIES</p> <p>They request the sport fields in the whole ward</p> <p>SANITATION</p> <p>They request sanitation in the following ares</p> <ul style="list-style-type: none"> <li>• Caca</li> <li>• Mhlontlo</li> </ul> <p>There are some areas that were left by the time sanitation was in process</p> <p>COMMUNITY HALL</p> <p>They request at least one community hall any where in the ward</p>	<p>People are complaining that Eskom is too slowly as they see progress on the other villages</p> <p>People are complaining saying that 3 taps are not enough to accommodate the whole ward</p> <p>Children walk a long distance to the nearest dipping tank</p> <p>They hold their meetings at Traditional Authority or at School because they don't have community hall</p> <p>Project members need a training before they receive funding because due to a lack of skill their projects end up collapsed</p> <p>Their children travel a long distance to the nearest high school</p>
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	<p><b>PROJECTS</b></p> <p>They are having only two agricultural projects which are funded so they request more and co-operative</p> <p><b>SCHOOLS</b></p> <p>They request a high school at Eluhewini</p> <p>They also request extension by 5 classrooms at Mcobololo S.S.S and they also request the permanent structure of this school as it is the prefabs</p>	
<b>DATE: 14/10/2013 WARD14</b>	<p><b>NEED</b></p> <p><b>WATER</b></p> <p>They need water at Mcobololo village.</p> <p>Taps at Ntabeni are being vandalised and new models of taps are needed so that the old ones can be removed</p> <p>The whole ward need taps</p> <p><b>ROADS</b></p> <p>The roads at Mcobololo are having strong stones. The access road at Cala need maintenance</p> <p><b>SANITATION</b> They are complaining about the households that were left out the sanitation project</p>	<b>CHALLENGES</b>
<b>DATE: 24/10/2013 WARD 20</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>The Sinqumeni community members request a road from Kwa Solontsi to Nqancule village, from Sidikidikini to Thaleni (Madini) Lower Sitholeni: a road from Ndulini to Hlaba, from Ngqokoqhweni to Manzimdaka,</p>	<p>They are complaining about the village which does not appear in the map of Magumemereni Location and is not surveyed.</p> <p>No road maintenance and</p>

	<p>Access road from Ndulwini to Luxeni</p> <p>A new school as opposed to old Makukhanye school</p> <p>A Colbert at Sinqumeni village because cars are struggling to go through</p> <p>Tar poles for fencing of fields</p> <p>Electrification of households</p> <p>Foot bridges from Rhoqoloza to Manzimdaka PJS</p> <p>Installation of Solar in the following villages : Lower Sitholeni, Mncayi and Upper Gqaga</p> <p>Pay point at Sitholeni</p> <p>Landline for Manzimdaka P.J.S</p> <p>They were promise a day hospital at Mbheshu Village</p> <p>Upper Gqaga : Challenges : Building of water treatment, formal structure instead of mud schools at the following schools Xhokonxa PJS,Mbabakazi PJS,Hlophokazi PJS</p> <p>The community members insisted that Ward councillor, Ward committee must take resolution that in the villages where there is no electricity they must improvise with solar</p> <p>Access road from Mkhaweni to Xhokonxa,from Dyobhashe to Gubenxa, from Mbabakazi to Xhokonxa</p>	<p>construction</p> <p>School teachers at the Didwayo school are not performing well</p> <p>Achallenge of children who are buying airtime with the Social grants cards</p> <p>There is no water in the taps in the whole ward</p> <p>Stealing of the wires which is fencing the local project</p>
<b>WARD 11 DATE: 10/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Maintenance of access roads Tyholweni to Mcinga ,Mxesibe,Zola and Nkole</p> <p>Resevor is needed in ward 10 and also for Ngcobo as a whole</p>	<p>Sources of water not being monitored by the CHDM Apollo is not in use at the moment, there are no globes</p> <p>At Masonwabe in extension 6 there is a high mast but it is not connected</p>

	R76,000 required for globes;	IDP documents are needed by the community members and they were complaining that Mr. Songca promised to distribute in the meeting held in All Saints. They intend to open a case on unfulfilled promises
<b>WARD 18 DATE: 16/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
<b>WARD 17 DATE: 16/10/2013</b>	<p><b>WATER</b></p> <p>Water at Mcobololo village.</p> <p>Taps at Ntabeni are being vandalised and new models of taps are needed so that the old ones can be removed</p> <p>The whole ward need provision oftaps</p> <p><b>ROADS</b></p> <p>Clarkebury access road must be maintained</p> <p>In the 2014/15 financial year they need access road from mawuleni to Mbhashe and in 2015/16 Zihlangu to Mandlaneni</p> <p><b>ROADS</b></p> <p>Access road from R61 to KwaNdima , Access road from Emamfengwini to Bashee School</p> <p><b>ROADS IN PIPE LINE</b></p> <p>Mvala access Road, Road from R61 to Maqamkazini, From R61 via Mvuzo to Mdeni and from R61 to Mangxongweni , Access road R61 to Siviwe School</p> <p><b>ELECTRICITY</b></p> <p>Didi area should be prioritized for the installation of solar system and those areas in electricity pipeline will wait for Eskom for Electricity</p>	<p>There is no water in the whole ward. At Emamfwengwini there are community stand pipes that are not functional</p> <p>There is no electricity , no water and no access road at Ngquru to phesheya Konkununu</p> <p>There are no water taps and sanitation at Mandebe</p> <p>They are complaining about the CDW by the name Msawenkosi Matyholowho who do not attending the community meeting</p> <p>They also complaining about the salty water from Tyeni</p>

	<p>DAMS</p> <p>They request that the Municipality must</p> <p>construction dam for them</p> <p>SANITATION</p> <p>Cllr Gedeni clarified about the sanitation procedure that the last financial year budget is finished then we are waiting for 2013/14 financial year as per the district budget but still DIDI village is the disadvantage area. It is still the first priority and the sanitation processes are continuing with the old Demarcation where Didi was in ward 02</p> <p>HOUSING</p> <p>Cllr Gedeni explains that all areas in ward 17 including Didi village are in the list and people who is having matric and are going to be trained on the data collection and capturing</p> <p>RDP houses required</p> <p>water and electricity at Bavu</p> <p>Sport ground needed</p> <p>ELECTRICITY</p> <p>They need electricity engine instead of available diesel engine</p> <p>Dipping tank at Luxeni</p> <p>WATER</p> <p>Bulk water supply at Clarkebury</p> <p>Water extension from Mgwali to Gongqozayo</p>	
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WARD O1 DATE:09/10/2013	NEED	CHALLENGES
	<p>WATER</p> <p>There is no water at Toleni,Kofu,Lunda,Nabileyo and Tshatshu</p> <p>SANITATION</p> <p>There is no sanitation at Xonya, Ngquthura , Lunda</p> <p>BRIDGES</p> <p>A bridge is requested Ngquthura and at Chaba,</p> <p>River crossing at Ntabileyo</p> <p>PROJECTS</p> <p>Masincedisane shearing shed, Vukani Manina,Masiphathisane ,Mamfeneni maize project</p> <p>ROADS</p> <p>Access road from Ntimeni- Chaba komkhulu, Lisa- Luthuthu,Ndungwane-Mangwevini,Mangxazini-Qolweni,Mgxazini-Qolweni</p> <p>SCHOOLS</p> <p>They are requesting pre- school and they want the Municipality to end the mud schools</p> <p>SPORT GROUNDS</p> <p>They are requesting sport field in the ward</p> <p>CLINIC</p> <p>Health centre at Nxamagele</p> <p>DIPPING TANKS</p> <p>Renovation of dipping tank at Ndungwane</p>	



	<p>WATER</p> <p>There is no water in the following areas:</p> <ul style="list-style-type: none"> <li>• Toleni</li> <li>• Kofu</li> <li>• Lunda</li> <li>• Nabileyo</li> <li>• Tshatshu</li> </ul> <p>SANITATION</p> <p>There is no sanitation in the following villages:</p> <ul style="list-style-type: none"> <li>• Ngquthurha</li> <li>• Caba</li> <li>• Ganya</li> </ul> <p>BRIDGES</p> <p>A bridge is requested in the following areas:</p> <ul style="list-style-type: none"> <li>• Ngquthurha</li> <li>• Chaba</li> </ul> <p>RIVER CROSSING</p> <p>They request river crossing (Slab) at Nabileyo</p> <p>PROJECTS</p> <p>They request assistance in the following areas:</p> <ul style="list-style-type: none"> <li>• Masincedisane</li> <li>• Vukani Manina</li> <li>• Masiphathisane</li> <li>• Mamfeneni maize Project</li> </ul>	
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	<ul style="list-style-type: none"> <li>• Luxeni maize Meal</li> </ul> <p>ACCESS ROADS</p> <p>They request access roads in the following areas:</p> <ul style="list-style-type: none"> <li>• Ntimeni via Roma – Komkhulu</li> <li>• Mandlaneni via Nxamagele pjs – Manuneni</li> <li>• Chibini – Kwajija</li> </ul> <p>SCHOOLS</p> <p>They request the upgrading of xamagele Pre School from Mud structure to Permanent structure</p> <p>SPORT GROUNDS - sport field at KwaNdungane</p> <p>CLINIC - They request a Health Centre at Nxamagele</p> <p>DIPPING TANK - Renovation of dipping tank at Ndungwane</p> <p>SHEARING SHED</p> <p>Shearing sheds in the following areas:</p> <ul style="list-style-type: none"> <li>• KwaSibonda</li> <li>• Masincedane Shearing Shed</li> </ul> <p>ELECTRICITY</p> <p>Electrification of about + - 190 households in the whole ward</p> <p>DAM</p> <p>They request a dam for stock drinking at Chaba</p>	
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<b>WARD 02 DATE: 09/10/2013</b>	<p><b>ELECTRICITY</b></p> <p>Electricity was done at Cwecweni but not finished. Mqonci done not completed and Xonya not done pegged but not done</p> <p><b>ROADS</b></p> <p>Roads were listed that are to be done and those that are to be maintained</p> <p><b>BRIDGES</b></p> <p>Bridge at Xonya is requested</p>	
<b>WARD 19 DATE: 22/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p><b>ROADS</b></p> <p>Ntshiqo-Zangcethe access road be prioritised</p> <p>Daligqili access road must be prioritised as well</p> <p>Mngwemnyama at Upper Gqaga, access road from Mhlahlane to Ntongo is in process(in-house)</p> <p><b>SCHOOLS</b></p> <p>A permanent structure of the pre-school as opposed to available mud structure</p> <p><b>CLINICS</b></p> <p>A permanent structure at Mnyolo</p>	<p>There is a challenge of water in the whole ward. Mr Mbolo promises that they will be working on this challenge by sending water engineers to check on this problem. The taps do not have water</p> <p>The construction of Electricity was initiated but the surveyers did not pitch up</p>
<b>MCUTHU J.S.S DATE: 16/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Water taps and sanitation at Mandebe</p> <p>RDP houses , water and electricity at Bavu</p> <p>Sport ground</p> <p>Electricity engine instead of available diesel engine</p> <p>Dipping tank at Luxeni</p>	<p>There is no electricity , no water and no access road at Ngqutura to phesheya Konkununu</p> <p>They are complaining about the CDW namely Msawenkosi Matyholowho is not attending the community meeting</p> <p>They also complaining about the</p>

	<p>Bulk water supply at Clarkebury</p> <p>They need extension from Mgwali to Gongqozayo</p>	<p>salty water from Tyeni</p>
<b>WARD 13 DATE: 15/10/2013</b>	<b>NEED</b>	<b>CHALLENGES</b>
	<p>Electrification required</p> <p>Tax subsidy to reduces bus fares</p> <p>Water and pipes availability</p> <p>BRIDGES</p> <p>A bridge at GULANDODA</p> <p>Foot bridges in the following areas</p> <ul style="list-style-type: none"> <li>• Sthonga</li> <li>• Hala</li> </ul>	<p>Problems of holes that were dug and leftattended</p> <p>Road which was bladed at Mtwaza and left before it reached Hala</p> <p>Water pipes at Nokhinyana are blown out</p> <p>Toilets not put In a pre planned area</p> <p>Cooperatives info not accessible</p> <p>Gravel hips not yet flattened</p> <p>Tsalaba bridge is full of logs trapped</p>

WARD 08 DATE 24/04/2014	NEED	CHALLENGES
	<p>WATER</p> <p>They request water schemes in the following villages:</p> <ul style="list-style-type: none"> <li>• Nqumakala</li> <li>• Bojane</li> <li>• Skobeni</li> <li>• Sanitation</li> </ul> <p>They request the new model as opposed to old decaying model of the bridges</p> <p>They request bridges in the following areas:</p> <ul style="list-style-type: none"> <li>• Lahlangubo</li> <li>• Tshatshu</li> <li>• Access Roads</li> </ul> <p>They request access roads in the following villages</p> <ul style="list-style-type: none"> <li>• Chibini</li> <li>• Bompas</li> <li>• Jojweni</li> <li>• KwaQithi</li> <li>• Mazangweni</li> <li>• Sport Fields</li> </ul> <p>They request sport field at Lucwecwe and Bojane</p> <p>Dipping Tank</p> <p>They request a Dipping Tank at Bojane A/A</p>	<p>The water is not running in all the villages supplied by the above mentioned scheme</p>

	<p>Community Hall</p> <p>They request community hall at Mkhanzi</p> <p>Education</p> <p>Pakamisa School must be upgraded to a permanent structure as it is a mud school</p> <p>Shearing Shed</p> <p>They request shearing shed at Jojweni</p> <p>Dam</p> <p>Request a dam at Lahlangubo</p> <p>LED Projects</p> <p>Thuthukani Poultry</p> <p>Masakhane Baking Project</p> <p>New Mines</p>	
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WARD 13 DATE 25/04/2014	NEED	CHALLENGE
	<p>WATER</p> <p>There is no water in the following villages:</p> <ul style="list-style-type: none"> <li>• Lower Qebe</li> <li>• Upper Sitholeni</li> <li>• Upper Tsalaba</li> <li>• Part of Hala</li> </ul> <p>ELECTRICITY</p> <p>Electricity in the following areas</p> <ul style="list-style-type: none"> <li>• Lower Qebe</li> <li>• Quthubeni</li> <li>• Hala</li> <li>• Lower Tsalaba</li> </ul> <p>ACCESS ROADS</p> <p>Access roads in the following villages:</p> <ul style="list-style-type: none"> <li>• Upper Tsalaba</li> <li>• Ncanabana</li> <li>• Part of Hala</li> <li>• Matyeni</li> <li>• Sixhanti</li> <li>• Upper Sitholeni</li> </ul> <p>ROADS NEEDS MAINTANACE</p> <ul style="list-style-type: none"> <li>• Quthubeni</li> <li>• Ntabomvu</li> <li>• Gulandoda</li> <li>• Upper Sitholeni</li> </ul>	

	<ul style="list-style-type: none"> <li>• Sithonga</li> </ul> <p>CLINIC</p> <p>They request the construction of clinic at Upper Qebe</p> <p>COMMUNITY HALL</p> <p>Community halls in the following villages</p> <ul style="list-style-type: none"> <li>• Upper Qebe</li> <li>• Lower Tsalaba</li> </ul> <p>SANITATION</p> <p>Sanitation is no completed in the following areas:</p> <ul style="list-style-type: none"> <li>• Lubisi</li> <li>• Gulandoda</li> <li>• Hala</li> <li>• Upper Sitholeni</li> </ul> <p>SPORT FIELDS</p> <p>Sport fields in the following areas</p> <ul style="list-style-type: none"> <li>• Upper Qebe</li> <li>• Quthubeni</li> </ul>	
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WARD 12 DATE 25/04/2014	NEEDS	CHALLENGESS
	<p>ROADS MAINTANANCE</p> <ul style="list-style-type: none"> <li>• Makaleni – Lucwecwe bridge</li> <li>• R232 main road to Mntuntlani</li> </ul> <p>NEW ROADS</p> <ul style="list-style-type: none"> <li>• Main road – Mission</li> <li>• Zihekeni – Luthuthu</li> <li>• Voyizana – Bonga</li> <li>• Clinic – Qalo</li> <li>• Trust – Gotyibeni</li> <li>• Nonkala- Qolweni</li> <li>• Mgwala S.P.S – Qolweni</li> <li>• Gqutyini – Mgwala (regravelling)</li> </ul> <p>BRIDGES</p> <p>Bridges in the following areas:</p> <ul style="list-style-type: none"> <li>• Mgwala</li> <li>• Mntuntlani</li> <li>• Blommfack</li> <li>• River Crossing</li> </ul> <p>River crossing at:</p> <ul style="list-style-type: none"> <li>• Mntuntlani – Maqwathini</li> <li>• Mgwala- Gotyibeni</li> <li>• Trust – Mgwala</li> </ul>	

	<p>SPORT FIELDS</p> <p>Sports grounds in the following areas:</p> <ul style="list-style-type: none"> <li>• Mntuntloni</li> <li>• Nkwenkwezi</li> <li>• Lahlangubo</li> <li>• Gqutyini</li> <li>• Mkanzi</li> <li>• Zadungeni</li> </ul> <p>SANITATION - The whole ward has sanitation that require upgrading</p>	
<b>WARD 18 DATE 25/04/2014</b>	<b>NEEDS</b>	<b>CHALLENGES</b>
	<p>NEW ROADS</p> <p>Gqobonco via Mthini – Fane</p> <p>THREE YEAR PLAN ROADS 14/15 FINANCIAL YEAR</p> <p>Tribal via Bokleni Clinic- Zibuthe</p> <p>15/16 FINANCIAL YEAR</p> <p>Tshaphile – Upper Gqobonco J.S.S</p> <p>16/17 FINANCIAL YEAR</p> <p>Bokleni via Ntlanzi – Cekhwe0</p> <p>MAINTANANCE</p> <p>Maintenance in the following villages:</p> <ul style="list-style-type: none"> <li>• Sandile – Zangcethe</li> <li>• Majija – Gqobonco</li> </ul>	

	<ul style="list-style-type: none"> <li>• T232 – Tshaphile J.S.S</li> </ul>	
	<p>BRIDGES</p> <p>Yawa bridge need maintance</p> <p>Electricity</p> <p>The whole ward has got electricity except the new households and also at Sandile A/A they request electric pumps</p> <p>WATER</p> <p>They request extension of water in the new households</p> <p>They request fencing for Jojo tanks in the Gibeni</p> <p>water scheme</p> <p>SANITATION</p> <p>Sanitation not inplace</p>	<p>They have a problem of engines which encountered problems most of the time also Gibeni souce in winter water does not come out</p> <p>Some of them are not functioning well</p> <p>The funds are exhausted</p>

## Communication Plan

Engcobo Local Municipality utilizes several communication channels to convey information to the internal staff and to the community in general.

### Communication for internal staff

The staff members are being informed of any important information by way of notices to individual desks [offices] or through the Council's notice boards. The notice boards serve both the internal staff and the public.

Memorandums are distributed to the Heads of Departments to inform their departmental staff regarding certain information.

### **Communication with unions**

There is continuously contact between the Local Authority and the local unions [SAMWU] in order to disseminate information to their members. This dissemination may take different forms ranging from meetings with union shop stewards to circulars to members. The Local Labour Forum is also functional.

### **Communication for the community**

The general public or the community is usually given information through their monthly bills. Notice boards are used to notify the public regarding vacancies available. The local newspaper is another media tool used to advertise vacancies, Council resolutions or any other important notice. The Council Website is operational, which is a major information source to the members of the public.

### **Traditional Leaders**

The municipality has 7 traditional leaders who are part of the Municipal Council and participate in municipal decision making processes. The traditional leaders participate in all forum meetings, Council meetings, performance standing committee meetings and so forth. The 2014/15 budget is **R350 000**

### **Ward Committees**

Ward Committees are operational and Ward Committee meetings are being held on monthly basis. The municipality has 20 wards where ward committees assist Councillors on ward issues, minutes and alignment from municipal decisions. The budget for for this financial year is **R3 000 000.00**

### **Audit Committee**

This is a shared service with the District municipality; the committee is chaired by local residents with public involvement. This committee has as its function by monthly and quarterly monitoring of the PMS and tender management.

### **Corporate Governance and Structures**

Corporate governance is comprised of Risk Management and Fraud Mitigation, Internal Audit/ Audit Committee, Compliance Services, Legal Services, Communication and Development Cooperation, Public Participation and Special Programmes, Knowledge Management, Research and Policy.

The preamble to the Local Government: Municipal Systems Act provides inter alia for the “core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities, to define the

legal nature of a municipality as including the local community ... working in partnership with the municipality's political and administrative structures; to provide for the manner in which municipal powers and functions are exercised and performed; to provide for community participation; to establish a[n] ... enabling framework for the core processes of planning, performance management, resource mobilization and organizational change which underpin the notion of developmental local government; to provide a framework for local public administration and human resource development to put in place service tariffs and credit control policies by providing a framework for the provision of services, service delivery agreements to provide for credit control and debt collection; and to provide for matters incidental thereto".

The importance of good governance is widely recognized. Good corporate governance generates the goodwill necessary to enable sustainable value creation.

Other pieces of the legislative framework impact on the activities of the Municipality and for the purpose of this cluster the King III Report is considered important. The introduction of the King III Report on Corporate Governance necessitates increased attention being paid to compliance issues. This covers activities such as Internal Audit, Fraud and Risk Management as well as Information Technology. In addition the implications of the introduction of a Municipal Public Accounts Committee should also be considered.

Within this overall framework fall activities such as risk and fraud management, internal audit, legal and compliance, knowledge management as well as public participation.

The sections set out hereunder all exhibit similar constraints. As a result, material backlogs in dealing with core governance issues develop, resulting in adverse findings by regulatory and oversight bodies. In all instances, backlogs cannot be quantified as the outcomes from this sector relate more to qualitative than quantitative issues.

### **Risk and Fraud Mitigation**

Risk Management within the Municipality is considered to be in a developmental stage. It has not reached the level of being embedded within the Municipality. A Risk Management Framework is not in place and risk identification processes are not conducted. There is a need to identify dedicated resources for this activity and resource capacity constraints hinder implementation of this strategy.

While risk assessments within specific activities are conducted, there is no overall co-ordination of the activity. This compromises the ranking and prioritization of risks.

A similar situation exists with Fraud Mitigation. There is a need to identify dedicated resources for this activity and resource capacity constraints hinder implementation of this strategy. The number of detected cases of fraud and related irregularities within the Municipality is cause for concern. The resources required for implementation will require to be considered during future budgetary cycles.

## **Policies and Procedures**

Policies and procedures are updated as and when they expire. All finance policies have expired and will be reviewed before the end of the financial year.

## **By-laws**

Various bylaws have been developed and gazetted by provincial government.

## **Monitoring and Evaluation**

Performance Management fulfils the implementation of the Integrated Development Plan. The performance of an organization is integrally linked to that of its staff. It is critical and important for any organization to periodically review its own performance as well as that of its employees. In order to comply with legislation and to improve on good governance and service delivery it is essential for municipality to adopt a policy on Institutional and individual performance management.

In 2010/2011, Council approved a Framework for Institutional Performance Management. The Framework contains an annual work plan with processes to be followed in developing and implementing Performance Management.

Performance Management is a strategic approach through which the performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.

## **Inter-Governmental Relations**

Engcobo LM has a responsibility of forging relations with other spheres of government. The aim is to integrate planning, resource utilization and mobilization to maximize service delivery. Our multi-sphere engagements strive to comply with Act No 13. of 2005 of IGR Framework Act.

The concerns of the national and provincial government are also concerns of the municipality. Therefore going forward as metro concerted and coordinated efforts will be required so that Engcobo LM works with and leverages of all of government, parastatals, the private sector and civil society partners. It would also align the organization, strategy, budget and implementation programmes so that resources are used optimally and to enhancing service delivery.

## **Internal and External Communication**

The municipality has a communication strategy in place and uses it in its process of stakeholder communication and engagement.

## **Internal Audit Committee**

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Engcobo LM Municipality has an established Internal Audit Unit which operates in accordance with an approved Internal Audit Charter. The Unit's mandate is spelled out in the Local Government Municipal Finance Management Act. This includes providing advice to the accounting officer and audit committee on matters relating to internal audits, internal controls, accounting procedures and practices, risk and risk management, performance management, loss control, and compliance with applicable legislation.

The unit is under capacitated, with two full-time employee. Consequently, not all activities can be subjected to audit, e.g. Fraud and Information Technical. This compromises the overall control environment within the Municipality. The Unit does not undertake investigations of fraud which is the responsibility of line management.

The Unit reports to the Audit Committee on its operations and administratively to the Accounting Officer.

The Municipality has a functioning Audit Committee in place. This Committee operates in accordance with an approved Audit Committee Charter and meets on a regular basis. The Committee reports quarterly in writing to the Audit Committee.

The mandate of the Committee covers matters such as advising the council, political office-bearers, accounting officer and management of the municipality, on matters relating to internal financial control and internal audits, risk management, accounting policies, adequacy, reliability and accuracy of financial reporting and information, performance management, effective governance, compliance with applicable legislation, etc.

In addition, the Committee reviews the annual financial statements and responds to the Council on issues raised by the Auditor-General in the audit report through its Chairperson.

## **Compliance**

Compliance is audited internally by the Audit Unit and there is no specific committee set-up to deal with this matter.

## **Legal**

The municipality does not have an internal unit dealing with legal issues nor a person with legal expertise to deal with internal legal issues. All legal issues including litigation and drafting of legal instruments are outsourced to external legal expertise.

## **Challenges Facing Corporate Governance**

- a) Failure by management to respond to internal audit issues raised on the Internal Audit report which has a negative effect on the seating of Audit Committee meetings.

## **Special Programmes**

Engcobo LM must ensure that the MGDs are integrated/mainstreamed both internally as an employer and externally as a provider of service, so as to address the needs of the vulnerable and marginalized groups.

Within this IDP the following are termed cross-cutting issues;

- a) HIV and AIDS
- b) Local Agenda 21
- c) Poverty
- d) Gender
- e) Disability
- f) Older Persons
- g) Youth and Children
- h) Public Participation

Each of the Special Programmes Focal Areas namely HIV and AIDS, Youth and Children, Gender, Disability and Older Persons have dedicated Engcobo LM Strategies.

## **Institutional Challenges Facing Integrated Development Planning and Performance Management System**

- a) No up-to-date performance management framework and system.
- b) Performance management not cascaded to levels lower than Section 56/57 Managers.
- c) The municipality does not have capacity to monitor performance, with regard to each of those development priorities and objectives and against the key performance indicators and targets set;

## **Customer Relationship**

Successful customer relationship management (CRM) starts with a business strategy, which drives change in the organization and work processes, enabled by technology. It needs to be recognized as a cross cutting function whose main purpose is to see to the implementation of CRM initiatives in a consistent way across the political, corporate and functional dimensions of the organization.

Matters for consideration by Engcobo LM would include capacity, skills and resource constraints which remain a problem in the municipal environment. Internal streamlining will also need to be aligned as it provides a major stumbling block in providing adequate service delivery. Furthermore, blockages need to be removed, processes need to be streamlined and systems need to be put in place to avoid bottlenecks and misinformation. Customer relationship



management can provide immense opportunity for turning negative perceptions into a positive image of the municipality.

## **CHAPTER 6: PROGRAMMES AND PROJECTS**

### **6.1 KEY PERFORMANCE AREA 1 – INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT**

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Strategic Objective	To ensure Institutional Transformation and Organisational Development				Budget				Funding Source	
	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Responsible Dept	Annual Baseline	3 Year Target	14/15	15/16	16/17	Opex	Internal
<b>Organizational Structure</b>	Review of the organisational structure	Revised org. structured discussed internally & approved by Council	Corp.Serv	1	1	1	1	1	<b>Opex</b>	<b>Internal</b>
<b>Organizational Structure</b>	Additional staff recruitment and vetting	% of vacancies filled & % of new staff vetted.	Corp.Serv	None	All new employees	All new employees	All new employees	All new employees	<b>Opex</b>	<b>Internal</b>
<b>Organizational Structure</b>	Implementation of the HR Plan	Approved HR Plan implemented	Corp.Serv	None	None	Approved HR Plan implemented	Approved HR Plan reviewed & implemented	Approved HR Plan reviewed & implemented	<b>Opex</b>	<b>Internal</b>
<b>Organizational Structure</b>	Conducting of job evaluation	% of jobs evaluated across all levels	Corp.Serv	None	None	% of jobs evaluated across all	% of jobs evaluated across all	% of jobs evaluated across all	<b>Opex</b>	<b>Internal</b>

						levels	levels	levels		
<b>Organizational Structure</b>	Review of Employment Equity Plan	Reviewed and approved EEP	Corp.Serv	None	None	Reviewed EEP	Reviewed EEP	Reviewed EEP	<b>Opex</b>	<b>Internal</b>
<b>Human Capital Development</b>	Development of a training plan	Developed & approved training plan	Corp.Serv	None	None	Reviewed Training Plan	Reviewed Training Plan	Reviewed Training Plan	<b>Opex</b>	<b>Internal</b>
<b>Human Capital Development</b>	Identification of internal staff for career advancement	% of junior staff members undergoing continuous professional & workplace development	Corp.Serv	None	None	% of junior staff members undergoing continuous professional & workplace development	% of junior staff members undergoing continuous professional & workplace development	% of junior staff members undergoing continuous professional & workplace development	<b>Opex</b>	<b>LGSETA</b>
<b>Human Capital Development</b>	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Corp.Serv	None	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	Proper implementation of SALGBC Collective Agreements	<b>Opex</b>	<b>Internal</b>
<b>Human Capital Development</b>	Implementation of all labour related	Reduction on actions resulting from	Corp.Serv	None	Reduction on actions	Reduction on actions	Reduction on actions	Reduction on actions	<b>Opex</b>	<b>Internal</b>

	legislati on	non- compli ance with labour legislati on			resulti ng from non- compli ance with labour legisla tion	resulti ng from non- compli ance with labour legisla tion	resulti ng from non- compli ance with labour legisla tion	resulti ng from non- compli ance with labour legisla tion		
<b>Human Capital Developm ent</b>	Develop ment of OHS and EAP Policies	OHS & EAP Policy develop ed & approve d by Council	Corp.Serv	None	Revie wed OHS & EAP Policy	Revie wed OHS & EAP Policy	Revie wed OHS & EAP Policy	Revie wed OHS & EAP Policy	<b>Opex</b>	<b>Internal</b>
<b>Program me and Project Managem ent</b>	Conduct employ ee satisfact ion survey	Levels of employ ee satisfact ion measur ed in a systema tic mann er & recorde d accord ingly	Corp.Serv	None	Levels of employ ee satisfact ion measu red in a syste matic mann er & recorde d accord ingly	Levels of employ ee satisfact ion measu red in a syste matic mann er & recorde d accord ingly	Levels of employ ee satisfact ion measu red in a syste matic mann er & recorde d accord ingly	Levels of employ ee satisfact ion measu red in a syste matic mann er & recorde d accord ingly	<b>Opex</b>	<b>Internal</b>
<b>Perfoman ce Managem ent</b>	Develop an EPWP Strategy	EPWP Policy develop ed & approve d by Council	Corp.Serv	None	Revie wed EPWP Policy	Revie wed EPWP Policy	Revie wed EPWP Policy	Revie wed EPWP Policy	<b>Opex</b>	<b>Internal</b>
<b>Perfoman ce Managem ent</b>	Cascadi ng of perfoma nce	% of Depart mental Cascadi	Corp.Serv	None	8	1	1	1	<b>Opex</b>	<b>Internal</b>

<b>ent</b>	management for positions below S56	ng								
<b>Performance Management</b>	Develop performance plans and conduct performance assessments	% of employees with performance plans assessed	Corp.Serv	None	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Performance Management</b>	Conduct Mid-term and Annual Assessments	Performance assessments carried out mid-term & annually	Corp.Serv	None	Performance assessments carried out mid-term & annually	Performance assessments carried out mid-term & annually	Performance assessments carried out mid-term & annually	Performance assessments carried out mid-term & annually	<b>Opex</b>	<b>Internal</b>
<b>Systems and Technology Development</b>	Implementation of System Audit Recommendations	System Audit Findings & Recommendations	Corp.Serv	None	1	1	1	1	<b>Opex</b>	<b>Internal</b>
<b>Systems and Technology Development</b>	Capacitate IT Personnel according to Skills needs analysis	% of IT personnel sent to continuing professional development program	Corp.Serv	None	% of IT personnel sent to continuing professional development	% of IT personnel sent to continuing professional development	% of IT personnel sent to continuing professional development	% of IT personnel sent to continuing professional development	<b>Opex</b>	<b>LGSETA</b>

		s			pment progra ms	pment progra ms	develo pment progra ms	pment progra ms		
<b>Systems and Technolog y Developm ent</b>	Procure ment of Disaster Recover y Tools	Disaster recover y tools procure d & deploye d	Corp.Serv	None	Disast er recov ery tools procur ed & deplo yed	Disast er recov ery tools procur ed & deplo yed	Disast er recov ery tools procur ed & deplo yed	Disast er recov ery tools procur ed & deplo yed	<b>Opex</b>	<b>Internal</b>
<b>Processes and Procedure s</b>	Reviewa l of existing policies	All outdate d polcies reviewe d before the end of the financial year	Corp.Serv	None	All outdat ed policie s revie wed before the end of the financi al year	All outdat ed policie s revie wed before the end of the financi al year	All outdat ed policie s revie wed before the end of the financi al year	All outdat ed policie s revie wed before the end of the financi al year	<b>Opex</b>	<b>Internal</b>
<b>Processes and Procedure s</b>	Develop New Policies	List of policies develop ed & approve d by Council	Corp.Serv	None	Revie w of appro ved polcie s	Revie w of appro ved polcie s	Revie w of appro ved polcie s	Revie w of appro ved polcie s	<b>Opex</b>	<b>Internal</b>
<b>Municipal Facilities</b>	Procure ment of Office Furnitur e and Working tools	Equipm ent procure d & install ed/distrib uted to employ ees for operatio nal efficienc	Corp.Serv	None	Equip ment procur ed & install ed/distrib uted to emplo yees for operat ional	Equip ment procur ed & install ed/distrib uted to emplo yees for operat ional	Equip ment procur ed & install ed/distrib uted to emplo yees for operat ional	Equip ment procur ed & install ed/distrib uted to emplo yees for operat ional	<b>Opex</b>	<b>Internal</b>

		y			efficiency	efficiency	efficiency	efficiency		
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## 6.2 KEY PERFORMANCE AREA 2 – INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

Strategic Objective	To ensure well maintained infrastructure and efficient use of electricity, water, sanitation and refuse				Targets						Budget	Funding Source
	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Ward	Responsible Dept	Annual Baseline	5 Year Target	14/15	15/16	16/17	17/18	Opex	Internal
<b>Electricity Infrastructure</b>	Rural Electrification Project (Komkhulu, Sileveni, Magaza, Thafeni)	Number of households supplied with electricity	6	Infrastructure	384 households supplied with electricity	384 households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	Opex	External
<b>Electricity Infrastructure</b>	Rural Electrification Project	Number of households supplied with electricity (Cobosi, Gotyibeni)	4	Infrastructure	450 households supplied with electricity	450 households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	Opex	External
<b>Electricity Infrastructure</b>	Rural Electrification	Number of households	13	Infrastructure	228 House supplied	228 House supplied	Preventative	Preventative maintenance	Preventative maintenance	Preventative maintenance	Opex	External

ture	Project - Lower Qebe	Ids supplied with electricity (Lower Qebe, New Rest)		e	ed with electricity	ed with electricity	maintanance	ance	ance	ance		
<b>Electricity Infrastructure</b>	Rural Electrification Project- Luhewini	Number of households supplied with electricity (Luhewini)	5	Infrastructure	140 Households supplied with electricity	140 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>External</b>
<b>Electricity Infrastructure</b>	Rural Electricity Project (Lower Gqaka, Upper Gqaka, Ndunkulu, Mkhonkotho, Mangweni, Mgudu, Lutotweni)	Number of households supplied with electricity (Mkhonkotho)	7, 19	Infrastructure	100 Households supplied with electricity	100 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>External</b>
<b>Electricity Infrastructure</b>	Rural Electricity Project (Sinqumeni)	Number of households supplied with electricity	20	Infrastructure	529 Households supplied with electricity	529 Households supplied with electricity	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>External</b>
<b>Electricity Infrastructure</b>	Msawa High Mast	Number of high mast lights	11	Infrastructure	3 functioning high	3 functioning high	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>External</b>



		installed & function ing			mast lights	mast lights	ananc e	ance	ance	ance		
<b>Road and stormwat er Infrastruc ture</b>	Hala- Silindini access road	Number of kilometr es of road with accepta ble gravel surface & associat e work	13	Infrast ructur e	4 KM gravel surfacc e road	4 KM gravel surfacc e road	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat er Infrastruc ture</b>	Chibini- Lunda Access Road	Number kilometr es of road with accepta ble gravel surface &associ ate works	1	Infrast ructur e	11 KM gravel surfacc e road	12 KM gravel surfacc e	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat er Infrastruc ture</b>	Mtwaza access road	Number kilometr es of road with accepta ble gravel surface &associ ate works	13	Infrast ructur e	5KM gravel surfacc e road	5KM gravel surfacc e road	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat er Infrastruc</b>	Ndulwin i-hlaba access road	Number kilometr es of road with	20	Infrast ructur e	4-5 KM gravel surfacc	4-5 KM gravel surfacc	Preve ntativ e maint ananc	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>

ture		accepta ble gravel surface &associ ate works			e road	e road	e					
<b>Roads and Stormwat er Infrastruc ture</b>	Gutyini - Zadunge ni	Number kilometr es of road with accepta ble gravel surface &associ ate works	12	Infrast ructur e	None	None	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat er Infrastruc ture</b>	Gqobon co- Majija- Fane	Number kilometr es of road with accepta ble gravel surface &associ ate works	18	Infrast ructur e	12 KM gravel surfac e road	None	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat er Infrastruc ture</b>	Cottage Access road	Number kilometr es of road with accepta ble gravel surface &associ ate works	9	Infrast ructur e	15 KM gravel surfac e road	None	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwat</b>	Clarkbur ry	Number kilometr es of	16	Infrast ructur	4.6 KM gravel	None	Preve ntativ e	Prevent ative maintan	Prevent ative maintan	Prevent ative maintan	<b>Opex</b>	<b>ELM/MI SA</b>

<b>er Infrastructure</b>	Access	road with acceptable gravel surface & associate works		e	surface road		maintanance	ance	ance	ance		
<b>Roads and Stormwater Infrastructure</b>	Gubenxa Access road	Number kilometres of road with acceptable gravel surface & associate works	20	Infrast ructure	4.5 KM gravel surface road	None	Preve ntativ e maint anance	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwater Infrastructure</b>	Mntintl oni Access Road	Number kilometres of road with acceptable gravel surface & associate works	12	Infrast ructure	3 KM gravel surface road	None	Preve ntativ e maint anance	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwater Infrastructure</b>	Sentube Access Road	Number kilometres of road with acceptable gravel surface & associate works	15	Infrast ructure	8.5 KM gravel road	None	Preve ntativ e maint anance	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>

<b>Roads and Stormwater Infrastructure</b>	Masonwabe Access Road	Number kilometres of road with acceptable gravel surface & associate works	11	Infrastructure	5KM gravel surface road	None	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Roads and Stormwater Infrastructure</b>	Chibini Access road	Number kilometres of road with acceptable gravel surface & associate works	8	Infrastructure	2KM gravel surface road	None	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Roads and Stormwater Infrastructure</b>	Ngcobo Street Upgrade	Number kilometres of road with acceptable gravel surface & associate works	11	Infrastructure	1.2 KM black-top surface road	1.2 KM black-top surface road	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Roads and Stormwater Infrastructure</b>	Msingathi Clinic -Access road	Number kilometres of road with acceptable gravel surface & associate	5	Infrastructure	2.5 KM gravel surface road	2.5 KM gravel surface road	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>

		works										
<b>Roads and Stormwater Infrastructure</b>	Lahlang ubo Mampin gweni Access road	Number kilometres of road with acceptable gravel surface & associate works	8	Infrast ructur e	6 KM gravel surfac e road	6 KM gravel surfac e road	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwater Infrastructure</b>	Ngweva na Access road	Number kilometres of road with acceptable gravel surface & associate works	2	Infrast ructur e	3.5 KM gravel surfac e road	3.5 KM gravel surfac e road	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Roads and Stormwater Infrastructure</b>	Paving project	Number kilometres of road with acceptable gravel surface & associate works	11	Infrast ructur e	Dumpi ng site operat ing to accept able enviro ment standa rds	Dumpi ng site operat ing to accept able enviro ment standa rds	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>ELM/MI SA</b>
<b>Landfill Sites Service Station</b>	Maintan ance and cleaning of Engcobo Dumpin g site	Dumpin g site operatin g to accepta ble envirom ental standar	11	Infrast ructur e	Dumpi ng site operat ing to accept able enviro ment standa	Dumpi ng site operat ing to accept able enviro ment stand	Preve ntativ e maint ananc e	Prevent ative maintan ance	Prevent ative maintan ance	Prevent ative maintan ance	<b>Opex</b>	<b>Capex</b>

		ds			rds	ards						
<b>Landfill Sites Service Station</b>	Sorting and recycling of solid (off-site recycling)	Waste sorted into different classes & recycled accordingly	11	Infrastructure/Community Services	Waste sorted into different classes & recycled accordingly	Waste sorted into different classes & recycled accordingly	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>Capex</b>
<b>Landfill Sites Service Station</b>	Completion of building of Guard House	% of budget spent & percentage of actual progress	11	Infrastructure/Community Serv.	100%	100%	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Landfill Sites Service Station</b>	Licensing of Landfill Sites	Landfill sites licenced by relevant authority	11	Technical/Community Services	Site operating to licensing standards	Site operating to licensing standards	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Local Amenities and Public Facilities</b>	Maintenance of Town Hall and Indoor Sport Centre	Facilities maintained to acceptable operation standards	11	Infrastructure/Community Serv	Facilities maintained to acceptable operational standards	Facilities maintained to acceptable operational standards	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Local Amenities and Public Facilities</b>	Renovation of Esikobeni Hall	% of budget spent & percentage of actual progress	11	Infrastructure/Community Serv	100%	100%	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM</b>

<b>Local Ammenities and Public Facilities</b>	Renovation of Bodini Hall	% of budget spent & percentage of actual progress	7	Infrastructure/Comm Serv	Pool maintained to acceptable operational standards	Pool maintained to acceptable operational standards	Preventative maintenance	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM</b>
<b>Local Ammenities and Public Facilities</b>	Renovation of Beyele Hall	% of budget spent & percentage of actual progress	7	Infrastructure/Comm Serv	None	N/A	N/A	Preventative maintenance	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM</b>
<b>Local Ammenities and Public Facilities</b>	Continuous maintenance of swimming pool	Pool maintained to acceptable operational standards	11	Infrastructure/Comm. Serv	None	Pool maintained to acceptable operational standards	Pool maintained to acceptable operational standards	Pool maintained to acceptable operational standards	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>Capex</b>
<b>Local Ammenities and Public Facilities</b>	Renovation of Ngcobo Stadium	% of budget spent & percentage of actual progress	11	Infrastructure/Comm. Serv	None	100%	100%	100%	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Water &amp; Sanitation</b>	Reduction of water loss	% reduction	All	Infrastructure	15%	15%	15%	15%	15%	15%	<b>Opex</b>	<b>Capex</b>
<b>Water &amp; Sanitation</b>	Blue Drop Certificate Programme	% reduction	All	Infrastructure	93%	93%	93%	93%	93%	93%	<b>Opex</b>	<b>Capex</b>

<b>Water Backlog</b>	Backlogs on bulk water reduced	% reduction	7,8,9,10,11,13,15,16,17,18	Infrastructure	80%	80%	80%	80%	80%	80%	<b>R 60 300 673.52</b>	<b>CHDM</b>
<b>Roads</b>	Backlogs on road maintenance Reduced	% reduction	All	Infrastructure	95%	95%	95%	95%	95%	95%	<b>R5 735 586</b>	<b>CHDM</b>
<b>Gravel Roads</b>	Backlogs on gravel road maintenance and emergency regaveling Reduced	% reduction	All	Infrastructure	60%	60%	60%	60%	60%	60%	<b>R27 374 528</b> <b>R17m</b>	<b>CHDM</b>
<b>Flood</b>	Flood damage rectified	% reduction	All	Infrastructure	60%	60%	60%	60%	60%	60%	<b>R1m</b>	<b>CHDM</b>
<b>Local Economic Development</b>	Small Town Revitalization Programme	Construction of the Relief Road	11	Infrastructure	None	Construction of the Relief Road	Construction of the Relief Road	Construction of the Relief Road	Maintenance of the Relief Road	Maintenance of the Relief Road	<b>Opex</b>	<b>MIG/DP LGTA/CHDM/ELM</b>
<b>Local Amenities and Public Facilities</b>	Ngcobo Sports Field	% of budget spent & percentage of actual progress	11	Infrastructure	None	100%	100%	100%	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Local Economic Development</b>	Tourism	Renaming & gazetting of streets at	11	Technical/Community	None	None	Renaming & gazetting of streets	Renaming & gazetting of streets at	None	None	<b>Opex</b>	<b>ELM</b>



		Engcobo Town					at Engcobo Town	Engcobo Town				
<b>COMMUNITY SERVICES</b>												
<b>Strategic Objective</b>	<b>To provide sustainable and affordable services, effective and efficient service delivery</b>				<b>Targets</b>						<b>Budget</b>	<b>Funding source</b>
	Description of Capital Projects, Programmes and Activities	Key Performance Indicators (KPI's)	Wards	Department	Annual Baseline	5 Year Target	13/14	14/15	15/16	16/17	<b>Opex</b>	<b>ELM</b>
<b>Local Amenities and Public Facilities</b>	Community Halls	% of budget spent & percentage of actual progress	3	Community Sev/Infrastructure	None	100%	100%	100%	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Local Amenities and Public Facilities</b>	Ngcobo Sports Field	% of budget spent & percentage of actual progress	11	Community Sev/Infrastructure	None	100%	100%	100%	Preventative maintenance	Preventative maintenance	<b>Opex</b>	<b>ELM/MISA</b>
<b>Refuse</b>	Refuse removal	Ngcobo Town, Time Housing	Comm Serv	Community Sev/Infrastructure	122	122	122	122	122	122	<b>Opex</b>	<b>Capex</b>

		,Donnville,Extension 5&9		cture								
<b>Cleansing and Waste Management</b>	Street cleaning	Number of kilometres	Ngcobo Town	Comm Serv	49	49	49	49	49	49	<b>Opex</b>	<b>ELM</b>
<b>Customer Care</b>	Grievance Management Process	Grievance Management Procedure Manual	All	Community Sev/CorpServ	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	Grievance Management Procedure Manual	<b>Opex</b>	<b>ELM</b>
<b>Building Regulations and Municipal Planning</b>	Enforcement of by-laws	Enforcement of by-laws	All	Comm Serv	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	Enforcement of by-laws	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Traffic law enforcement	0% increase in traffic issued	All wards	Community Services	Target 10% increase of traffic issued	Target 10% increase of traffic issued	Target 10% increase on traffic issued	Target 10% increase on traffic issued	Target 10% increase on traffic issued	Target 10% increase on traffic issued	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Special operations (heavy duty operation)	Number of heavy duty operations held	All wards	Community Services	For heavy duty operation per annum	For heavy duty operation per annum	For heavy duty operation per annum	For heavy duty operation per annum	For heavy duty operation per annum	For heavy duty operation per annum	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Special operations (Public transport)	Number public transport operations held	All wards	Community Services	For public Transport operation	For public Transport operation	For public Transport operation	For public Transport operation	For public Transport operation	For public Transport operation	<b>Opex</b>	<b>ELM</b>

<b>Traffic Control</b>	Special operations (Road block)	Number of roadblocks	All wards	Community Services	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Traffic income	Number of reports on monthly income generated	All wards	Community Services	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Road safety education	Number of roads safety campaigns	All wards	Community Services	4	4	32	4	4	4	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Special operations (Public transport)	Number of public transport operation held	All wards	Community Services	4 public transport Transport Operations	4 public transport Transport Operations	4 public transport Transport Operations	4 public transport Transport Operations	4 public transport Transport Operations	4 public transport Transport Operations	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Special Operation (Roadblocks)	Number of roadblocks	All wards	Community Services	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	4 road blocks	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Traffic income	Number of reports on monthly income generated	All wards	Community Services	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	Road safety education	Number of road safety campaigns	All wards	Community Services	4	4	32	4	4	4	<b>Opex</b>	<b>ELM</b>

<b>Traffic Control</b>	DLTC Service	Leaners & drivers licence renewals,PDP'S.	All wards	Community Services	None	400 cases for all DLTC service	400 cases for all DLTC service	400 cases for all DLTC service	400 cases for all DLTC service	400 cases for all DLTC service	<b>Opex</b>	<b>ELM</b>
<b>Traffic Control</b>	DLTC Service and motor registrations	Number of motor vehicle registrations	All wards	Community Services	None	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	400 vehicle registrations	<b>Opex</b>	<b>ELM</b>
<b>Cemeteries and Crematoria</b>	Fencing and cleaning of cemetery	% spent on budget	11	Comm.Serv	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>ELM</b>
<b>Environmental Management</b>	Environmental Management Framework	Enter into a move to CHDM clarify roles and responsibilities	All Wards	Community Services	None	Implement environmental management move	Implement environmental management move	Implement environmental management move	Implement environmental management move	Implement environmental management move	<b>Opex</b>	<b>ELM/CHDM/DEA</b>
<b>Disaster Management</b>	Test effectiveness of evacuation plan	Number of evacuation drills per annum	All Wards	Community Services	2	16	2	2	2	2	<b>Opex</b>	<b>ELM</b>
<b>Disaster Management</b>	Disaster Management Plan	Enter into a move to CHDM clarify roles and responsibilities	All	Community Services	None	Implement Disaster Management Move	Implement Disaster Management Move	Implement Disaster Management Move	Implement Disaster Management Move	Implement Disaster Management Move	<b>Opex</b>	<b>ELM/CHDM/DEA</b>
<b>Fire fighting</b>	Education and awareness	Hold public training	All	Community Services	16	2	2	2	2	2	<b>Opex</b>	<b>ELM</b>

	s campaig n	and awairne ss campaig ns		es								
<b>Fire fighting</b>	Recruit ment & training of firefighti ng volunte ers unde EPWP	Number of volunter recruite d,train ed and deploye d	All	Comm unity Servic es	160	20	20	20	20	20	<b>Opex</b>	<b>ELM</b>
<b>Fire fighting</b>	Liase with various stakehol ders for develop ment of firebelts on vulnera ble wards	Firebelts done in all firesusc eptive wards	11,13,1 7	Comm unity Servic es	24	3	3	3	3	3	<b>Opex</b>	<b>ELM</b>
<b>Fire fighting</b>	Erection of fire hydrant s	Firehydr ants construc ted or installed	11	Comm unity Servic es	40	5	5	5	5	5	<b>Opex</b>	<b>ELM</b>
<b>Fire fighting</b>	Procum ent protecti ve clothing and accessor ies	Procum ent protecti ve clothing and accessor ies	All	Comm unity Servic es	16	2	2	2	2	2	<b>Opex</b>	<b>ELM</b>
<b>Fire fighting</b>	Procum ent fire detector s for municip	All	Commu nity Services	3	16	2	2	2	2	2	<b>Opex</b>	<b>ELM</b>

	al building											
<b>Fire fighting</b>	Erection and inspection of fire extinguisher to municipal buildings	11	Community Services	12	96	12	12	12	12	12	<b>Opex</b>	<b>EML/MIG</b>
<b>Sport and Recreation</b>	Promotional and development of Sport, Arts, Culture & Recreation	All	Comm.S services/M.M	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	<b>Opex</b>	<b>ELM</b>
<b>Sport and Recreation</b>	Promotional and development of Sport, Arts, Culture & Recreation	All	Comm.S erv/M/M	None	Activities linked Sport, Arts, Culture & Recreation	Activities linked Sport, Arts, Culture & Recreation	Activities linked Sport, Arts, Culture & Recreation	Activities linked Sport, Arts, Culture & Recreation	Activities linked Sport, Arts, Culture & Recreation	Activities linked Sport, Arts, Culture & Recreation	<b>Opex</b>	<b>ELM</b>
<b>Sport and Recreation</b>	Improvement and continuous support of the Mayor's Cup and inclusion of more sport codes	All	Comm.S erv/M/M	None	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	More sporting codes under Mayor's cup	<b>Opex</b>	<b>ELM</b>

<b>Libraries</b>	Continuos maintenance of libraries	11	Comm.Serv	None	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	<b>Opex</b>	<b>ELM</b>
<b>Libraries</b>	Replenishment of library resources	12	Comm.Serv	None	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	Functioning libraries	<b>Opex</b>	<b>ELM</b>
<b>Libraries</b>	Continuos maintenance and calibration of IT services	13	Comm.Serv	None	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	Functioning Libraries	<b>Opex</b>	<b>ELM</b>
<b>Cemeteries and Crematoria</b>	Identification of the new cemetery site & construction	11	Comm, Serv	None	New identified & rezoned for new cemetery	New identified & rezoned for new cemetery	New cemetery operation	New cemetery operation	New cemetery operation	New cemetery operation	<b>Opex</b>	<b>ELM</b>
<b>Special Programmes (Gender, Elderly, Youth, Disabled)</b>	Establishment of Youth Council at the ward level	1,2,3,4,5,7,8,9,10,11,12,13,14,15,16,20	Comm.Serv	4	32	4	4	4	4	4	<b>Opex</b>	<b>ELM</b>
<b>Special Programmes (Gender, Elderly, Youth, Disabled)</b>	Facilitate back to school campaigns for out-of-school youth	20,19,18,17,16	Comm.Serv	500	3200	400	400	400	400	400	<b>Opex</b>	<b>ELM</b>
<b>Special Programmes</b>	Career shadowing to in	All	Comm.Serv	600	3200	4	4	4	4	4	<b>Opex</b>	<b>ELM</b>

<b>(Gender,Elderly,Youth,Disabled)</b>	school youth											
<b>Special Programmes (Gender,Elderly,Youth,Disabled)</b>	Facilitate career exhibition in collaboration with the Department of Basic Education	All	Comm.Serv	7	32	4	4	4	4	4	<b>Opex</b>	<b>ELM</b>
<b>Special Programmes (Gender,Elderly,Youth,Disabled)</b>	Facilitate youth sport development	Integration with the Mayors Cup	Comm.Serv	None	Integration with the Mayor's Cup	Integration with the Mayor's Cup	Integration with the Mayor's Cup	Integration with the Mayor's Cup	Integration with the Mayor's Cup	Integration with the Mayor's Cup	<b>Opex</b>	<b>ELM</b>
<b>Special Programmes (Gender,Elderly,Youth,Disabled)</b>	Organising of the Easter Tournament	7	Comm.Serv	None	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	Organise and Support Easter Tournament	<b>Opex</b>	<b>ELM</b>
<b>Childcare Facilities (ECD)</b>	Establishment of early childhood development centres at ward level	All	Comm.Serv	None	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	ECD facilities at ward level	<b>Opex</b>	<b>ELM</b>



### 6.3 KEY PERFORMANCE AREA 3 – LOCAL ECONOMIC DEVELOPMENT

Strategic Objective	To provide sustainable and affordable services, effective and efficient service delivery				Targets						Budget	Funding source
					Annual Baseline	5 Year Target	14/15	15/16	16/17	17/18		
<b>Spatial Planning</b>	Spatial Development Framework	Spatial Development Framework reviewed	All	IPED	SDF outdated	SDF Implementation	SDF reviewed	SDF processes implemented	SDF processes implemented	SDF processes implemented	<b>R 500 000</b>	<b>ELM</b>
<b>Spatial Planning</b>	Land Audit	Engcobo Land Audited	9,10,11	DRDLR	No Land Audit		N/A	Land Audit conducted	Land monitored	Land monitored	<b>R 500 000</b>	<b>DRDLR</b>
<b>Local Economic Development</b>	LED Forum	LED Forum Established	All	IPED	4	Quarterly LED Forum meetings held	Quarterly LED Forum meetings held	Quarterly LED Forum meetings held	Quarterly LED Forum meetings held	Quarterly LED Forum meetings held	<b>Opex</b>	<b>ELM</b>
<b>Local Economic Development</b>	Review LED Strategy	Reviewed LED Strategy and Enterprise Plan developed	All	IPED	Draft situational analysis in place	Reviewed LED Strategy and Enterprise Plan adopted by Council	Reviewed LED Strategy and Enterprise Plan adopted by Council	Reviewed LED Strategy and Enterprise Plan implemented	Reviewed LED Strategy and Enterprise Plan implemented	Reviewed LED Strategy and Enterprise Plan implemented	<b>R 350 000</b>	<b>DPLGTA</b>

							I					
<b>Local Economic Development</b>	Small Town Revitalization Programme	Construction of the Big Rank	11	IPED/Infrastructure	None	Construction of the Big Rank	Construction of the Big Rank	Construction of the Big Rank	Operate & maintain Big Rank	Operate & maintain Big Rank	<b>R1m</b>	<b>MIG/DPL GTA/CHDM</b>
<b>Local Economic Development</b>	Transido	Renovation of Transido 30 flats	All	IPED/Infrastructure	None	Transido renovated and fully functional	30 flats renovated	10 more flats built	Transido fully operational	Transido fully operational	<b>R 700 000</b>	<b>ELM/DPL GTA</b>
<b>Local Economic Development</b>	Poultry	Value Chain Poultry	All	IPED/Infrastructure	None	Value Chain Poultry	Business Plan developed	Infrastructure developed	1000 Laying chickens , 500 bags feed procurement	50 jobs created	<b>R1m</b>	<b>ELM</b>
<b>Local Economic Development</b>	LED - SMME Projects	Number of LED projects identified in line with LED Strategy and approved by EXCO/MayCo	All	IPED	None	160	20	20	20	20	<b>900 000</b>	<b>ELM/DRD AR/DEDE A/ECDC/CHDM/SEDA/ECRDA</b>
<b>Local Economic Development</b>	Crop production	Number of hectares cultivated for maize, soya beans & seasonal vegetables	17	CHDM	2500ha	2500ha	500ha	500ha	500ha	500ha	<b>R2m</b>	<b>ELM/DRD AR/CHDM /ECRDA/ECDC/CDC</b>

<b>Local Economic Development</b>	Crop production	Number of hectares cultivated for maize, soya beans & seasonal vegetables	20	CHDM	2500ha	2500ha	500ha	500ha	500ha	500ha	<b>R2m</b>	ELM/DRD AR/CHDM /ECRDA/E CDC/CDC
<b>Local Economic Development</b>	Biomass Production	Turnaround of the charcoal producing projects to become self-sustainable & financially viable	6	CHDM	None	None	Turnaround of the charcoal producing projects to become self-sustainable & financially viable	Support & monitor charcoal projects	Support & monitor charcoal projects	Support & monitor charcoal projects	<b>R2m</b>	ELM/CHDM/ECDC/CSIR
<b>Local Economic Development</b>	Biomass Production	Turnaround of the Nursery Project to become self-sustainable & financially viable	7	CHDM	None	None	Turnaround of the Nursery Project to become self-sustainable & financially viable	Support & monitor the Nursery Project	Support & monitor the Nursery Project	Support & monitor the Nursery Project	<b>R2m</b>	ELM/CHDM
<b>Local Economic Development</b>	Biomass Production	Production & processing of	17	CHDM	500ha	2500ha	500ha	500ha	500ha	500ha	<b>R1.5m</b>	ELM/DRD AR/CHDM /ECRDA/E

ent		soya beans										CDC/CDC
<b>Local Economic Development</b>	Tourism	Engcobo Park Beatification	11	IPED/Infrastructure	The Park is being maintained on daily basis	Engcobo Park Beatification	Engcobo Park Beatification	Engcobo Park Beatification	Engcobo Park Beatification	Maintain aesthetic look of the Park	<b>R6m/R1,9m, R250,000</b>	<b>DEAT/DSRAC/ELM</b>
<b>Local Economic Development</b>	Tourism	Renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	16	NHC	None	Some renovations completed	Relocation & renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	Relocation & renovation of a monument and Chief Ngubengcuka's grave & upgrading of historical buildings	Undertake preventive maintenance	Undertake preventive maintenance		<b>Clarkbury Institutional Development Steering Committee/DSRAC/ECTPA/NHC</b>
<b>Local Economic Development</b>	Tourism	Tourism Sector Plan Review	All	IPED	None	An outdated plan in place	Tourism Sector Plan reviewed	Tourism Sector plan implemented	Tourism Sector plan implemented	Tourism Sector plan implemented	<b>R 300 000</b>	<b>ELM</b>
<b>Local Economic Development</b>	Tourism	Development of Tourism Sign Boards; Banners and upgrading of Tourism	All	IPED	None	Tourism Brochures in place	Tourism Sign Boards ; Banners developed and Touris	Tourism Sign boards; Banners and Brouchers upgraded	Tourism Sign boards; Banners and Brouchers upgraded	Tourism Sign boards; Banners and Brouchers upgraded	<b>R 150 000</b>	<b>ELM</b>

		brochures					m Brou chers upgra ded					
<b>Local Economic Development</b>	Tourism	Operationalisation of the LTO	11	IPED	None	LTO fully operational	Monthly meetings held	Monthly meetings held	Monthly meetings held	Monthly meetings held	<b>R50,000 /120,000</b>	<b>ELM/CHDM</b>
<b>Local Economic Development</b>	Tourism	Fencing of Qoba Game Reserve	7	IPED	None	Feasibility Study and Business Plan in place	Qoba Game Reserve fenced and beneficiaries trained	Business plan submitted to DEDEAT for procurement of wild animals	Qoba Game Reserve fully operational	Qoba Game Reserve fully operational	<b>R 400 000</b>	<b>ELM/DSRAC/ECTB/ECDC</b>
<b>Local Economic Development</b>	Livestock Improvement Programme	Breeding of high quality cross and pure-breed sheep	20	CHDM	None	None	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	<b>R3m</b>	<b>ELM/DRDAR/CHDM/ECRDA/DC</b>
<b>Local Economic Development</b>	Livestock Improvement Programme	Breeding of Nguni Cattle at Mjanyana	4	CHDM	None	None	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	Continuous monitoring & improvement of output	<b>R2m</b>	<b>ELM/DRDAR/CHDM/ECRDA/DC</b>
<b>Rural Development</b>	Creation of conducive environment for job	1000 jobs created	All	IPED	4	1,240	1000 jobs created	1200 jobs created	1400 jobs created	1500 jobs created	<b>Opex</b>	<b>ELM/CHDM/Sector Depts.</b>

	creation											
<b>Rural Development</b>	Afforestation Programme	300 jobs created per local municipality	6,11,12,15	CHDM	None	1,200 jobs created	300 jobs created	300 jobs created	300 jobs created	300 jobs created	<b>EPWP fund</b>	<b>CHDM</b>
<b>Rural Development</b>	Food Security	Provision of inputs, mechanisation, ploughing, disc, plant and fertilisation	All	CHDM	None	Food secured	Sustainable food secured for the poor	Sustainable food secured for the poor	Sustainable food secured for the poor	Sustainable food secured for the poor	<b>R3,488,158</b>	<b>CHDM</b>
<b>Rural Development</b>	Comprehensive Rural Development Plan	Approved Comprehensive Rural Development Plan	All	IPED	None	Approved Comprehensive Rural Development Plan	Draft Rural Development Plan	Rural Development Plan implemented	Rural Development Plan implemented	Rural Development Plan implemented	<b>R 250 000</b>	<b>ELM</b>
<b>Rural Development</b>	Mining	Quarry development for Crush Stone	2,3,7,11,12	SANDRAL	None	Quarry business case, licence application, EIA, businesses	Quarry business case, licence application, EIA, business	N/A	N/A	N/A	<b>Unknown</b>	<b>SANDRAL /ELM</b>

#### 6.4 KEY PERFORMANCE 4 – FINANCIAL VIABILITY AND MANAGEMENT

Strategic Objective	To ensure Financial Sustainability, Management and Viability	Targets	Budget	Funding Source

	Descript ion of Capital Projects , Program mes and Activitie s	Key Perfoma nce Indicato rs (KPI's)	Depar tment		Annua l Baseli ne	5 Year Target	14/15	15/16	16/17	17/18	Opex	Internal
<b>Capital Expenditu re</b>	Prudent infrastru cture capital budget expendi ture	% spent of approve d capital budget v.s. actual expendi ture	BTO	100%	100%	100%	100%	100%	100%	100%	Opex	Internal
<b>Capital Expenditu re</b>	Capital budget expendi ture	% of actual capex vs. budgete d capex	BTO	100%	100%	100%	100%	100%	100%	100%	Opex	Internal
<b>Capital Expenditu re</b>	Depart mental Capital Projects	% of departm ental capital budget spent	BTO	100%	100%	100%	100%	100%	100%	100%	Opex	Internal
<b>Capital Expenditu re</b>	IDP/SDB IP Approve d Capital Projects complet ed	% of IDP/SDB IP Approve d Capital Projects complet ed	BTO	100%	100%	100%	100%	100%	100%	100%	Opex	Internal
<b>Expenditu re and Cost Managem ent</b>	Manage ment of Purchas e Requisiti ons &	The requisiti on should be accomp	BTO	None	None	Number requisiti ons v.s. purchas e orders	Numb er requisi tions v.s. purch	Number requisiti ons v.s. purchas e orders	Number requisiti ons v.s. purchas e orders	Number requisiti ons v.s. purchas e orders	Opex	Internal

	Purchase Orders	anied by the letter detailing the need signed by the manager.					ase orders					
<b>Expenditure and Cost Management</b>	Irregular Expenditure	All Heads of Department should be held accountable for irregular expenditure committed by their departments	BTO	None	None	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	All Heads of Department should be held accountable for irregular expenditure committed by their departments	<b>Opex</b>	<b>Internal</b>
<b>Expenditure and Cost Management</b>	Finance & SCM Process Deviations	Register & supporting documents for deviations should be submitted to Municipal Manager	BTO	None	None	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	Register & supporting documents for deviations should be submitted to Municipal Manager	<b>Opex</b>	<b>Internal</b>



							er					
<b>Expenditure and Cost Management</b>	Infrastructure maintenance budget expenditure	% spent on approved Infrastructure maintenance budget	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Expenditure and Cost Management</b>	Cash Management Plan	Development of a cash management plan for Council approval	BTO	None	None	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	Cash management plan approved by Council	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Charging of interest on long outstanding debtors.	Number of long outstanding debtors handed over for collection vs. debts collected	BTO	80%	80%	80%	80%	80%	80%	80%	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Employment of Permanent Debt collector	Position advertised and filled	BTO	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Identification of debtors through door to door	No. of debtors vs debtors paid	BTO	80%	80%	80%	80%	80%	80%	80%	<b>Opex</b>	<b>Internal</b>

	visits											
<b>Revenue Management</b>	Introduce once-off discounts certain debt categories.	Number of discounts offered vs debts collected	BTO	80%	80%	80%	80%	80%	80%	80%	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Review policy on debtors	Debtors Policy Reviewed	BTO	None	None	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	Reviewed Debtors Policy approved by Council	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Conduct meter audit for appropriate billing and water loss control.	% of meters audited	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Implementation of a system and controls to ensure that all traffic fines issued are collected.	Number of traffic fines issued and % collected	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Introduce and	Number of traffic	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>

ent	conduct daily reconciliation of traffic fines	fines issued and reconciled										
Revenue Management	Apply for electricity distribution licence	Business case prepared and submitted to Nersa/DoE	BTO	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Pending DoE/Nersa outcome	Opex	Internal
Revenue Management	Renovate Transido so that the municipality can start charging rent	Scope of work and costing for renovations	BTO	None	None	Scope of work and costing for renovations	Scope of work and costing for renovations	Fundraising & construction	Fundraising & construction	Fundraising & construction	Opex	Internal
Revenue Management	Revise pound fees and ensure proper collection	Pound fees revised	BTO	None	None	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Revised pound fee structure approved by Council	Opex	Internal
Revenue Management	Build municipal housing to generate revenue	Planning, designs, approval & registration with MIG	BTO	None	None	Building plans approved by Council	Project registered with MIG	Fundraising & construction	Fundraising & construction	Fundraising & construction	Opex	Internal
Revenue Management	Apply for higher	Application for higher	BTO	None	None	Due diligence &	Due diligence &	Due diligence &	Implementation,	Implementation,	Opex	Internal

	grading of our testing ground.	grading prepared & submitted				approval/decline for higher grading	approval/decline for higher grading	approval/decline for higher grading	management & maintenance	management & maintenance		
<b>Revenue Management</b>	Introduction of CBD Parking Meters	Parking meters should be introduced and there should be a proper plan in place .	BTO	None	None	Feasibility Study & Business Plan Development	Feasibility Study & Business Plan Development	Fundraising & installation	Implementation , management & maintenance	Implementation , management & maintenance	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Identification of an Open Parking Space	Open parking space (s) identified at Engcobo	BTO	None	None	Feasibility Study & Business Plan Development	Feasibility Study & Business Plan Development	Fundraising & construction	Fundraising & construction	Fundraising & construction	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Development of Revenue Strategy	Revenue Enhancement Strategy developed	BTO	None	None	Revenue Enhancement Strategy approved by Council	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	Revenue Enhancement Strategy implemented & reviewed	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Indigent Policy	Monthly subsidies to indigents	3	3	3	300%	300%	300%	3	3	<b>Opex</b>	<b>Internal</b>

<b>Revenue Management</b>	Property valuations	Conduct General Valuations on Properties(MPR A implementation )	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Revenue Management</b>	Rates (Tarrif & rates)	Review tariffs and rates	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Review of SCM Policy	SCM Policy fully reviewed & aligned	BTO	None	None	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	Reviewed SCM Policy implemented	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Development of SCM Policies, Procedures and Tools	SCM Processes & Procedures developed	BTO	None	None	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	New SCM Processes & Procedures implemented	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Training of municipal officials on SCM policy & procedures	Number of Municipal officials trained for better understanding & implementation of SCM Policy	BTO/CorpServ	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	All S56 Managers & Assistant Managers	<b>Opex</b>	<b>Internal</b>

<b>Supply Chain Management</b>	Capacity building within SCM Unit	Development on operational structure for SCM	BTO	None	None	Operational structure aligned with organogram	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	Organogram approved by Council & Implemented	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Implementation of a Contract Management Register	Maintaining of a Contract Management Register	BTO	None	None	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	Up-to-date and maintained contract management register	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	SCM turnaround time	SCM turnaround time	BTO	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	SCM turnaround within 30 days	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Annual Procurement Plans	Develop departmental APP's	5	5	5	500%	500%	500%	5	5	<b>Opex</b>	<b>Internal</b>
<b>Supply Chain Management</b>	Supplier database	Development and maintenance of a supplier database.	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>

<b>Asset Management</b>	Appoint a ward committee member that will be responsible for a hall who will work hand in hand with the official from the municipality	Ward Committee member appointed	BTO	None	None	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	Ward committee member assigned to ward based assets	<b>Opex</b>	<b>Internal</b>
<b>Asset Management</b>	Movable assets for community hall should be hired out .	Inventory of municipal assets and rates	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Asset Management</b>	Maintenance plan should be developed.	Asset Maintenance Plan developed	BTO	None	None	Asset Maintenance Plan approved & implemented	Asset Maintenance Plan approved & implemented	Asset Maintenance Plan approved & implemented	Asset Maintenance Plan approved & implemented	Asset Maintenance Plan approved & implemented	<b>Opex</b>	<b>Internal</b>
<b>Asset Management</b>	Review asset register to ensure that all assets are insured.	Reviewed asset register	BTO	None	None	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee &	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	Reviewed Asset Register presented to Audit Committee & AG	<b>Opex</b>	<b>Internal</b>

							AG					
<b>Financial Reporting</b>	Prepare monthly management accounts with analysis.	Management accounts prepared and submitted to EXCO	BTO	12	96	1200%	1200%	1200%	12	12	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Conduct month-end procedures monthly and run a trial balance.	Trial Balance drawn monthly and presented with management accounts	BTO	13	96	1200%	1200%	1200%	12	12	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Conduct monthly bank reconciliations	All bank accounts reconciled monthly	BTO	14	96	1200%	1200%	1200%	12	12	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Clean audit action plan	Approved clean audit action plan	BTO	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	Reviewed Clean Audit Action Plan	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Section 71 Reports	Preparation and submission of S71 reports	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Annual Financial Statements	Preparation and submission of AFS the AG	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>



<b>Financial Reporting</b>	Audit Action Plan	Facilitate the Implementation of the Action Plan developed for the 2011/12 audit report.	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Capturing of opening balances	Capture opening balances for the 2013/14 financial year	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	<b>Opex</b>	<b>Internal</b>
<b>Financial Reporting</b>	Capturing of budget figures	Capture the budget figures for 2013/14 on eVinus	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Alignment between budget and IDP	% IDP alignment	BTO	100%	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Implement monthly budget reports.	Number of reports	BTO	12	12	1200%	1200%	1200%	12	12	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Conduct workshop for officers how expendi	Workshop attended by all S56 Manage	BTO	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>

	ture is allocated to the budget.	rs & Assistant Managers/Officers										
<b>Budgeting</b>	Involve all internal stakeholders in the budgeting process	Proof of meetings of stakeholders for budgeting process	BTO	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Ensure that budget is aligned to KPA's and KFA's.	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	BTO	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	Golden trend between IDP, Budget, KPA's & KFA's, SDBIP's	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Tabling to council	To develop a Budget and IDP process plan in line with MFMA requirements.	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Council approved Adjustments Budget	Compilation of an Adjustments Budget.	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	
<b>Budgeting</b>	Council	Ensure	Once-	Once-	Once-	Once-	Once-	Once-	Once-	Once-	<b>Opex</b>	<b>Internal</b>

	approval of policies	the Review of Budget Related Policies in preparation for the next years budget.	off	off	off	off	off	off	off	off		
<b>Budgeting</b>	Tabling to council by 31 March 2013	Compilation of the Draft Budget for 2013/16 MTEF period.	1	1	1	100%	100%	100%	1	1	<b>Opex</b>	<b>Internal</b>
<b>Budgeting</b>	Approval by council by 31 May 2013	Submission of final budget for 2013/16 MTEF period for approval by council.	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	Once-off	<b>Opex</b>	<b>Internal</b>
<b>Funding</b>	Funding Plan	Funding Plan	BTO	None	None	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	Reviewed Funding Plan approved by Council	<b>Opex</b>	<b>Internal</b>
<b>Funding</b>	Cost coverage	Maintain an acceptable ratio	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	Ratio 2:1	<b>Opex</b>	<b>Internal</b>

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## 6.5 KEY PERFORMANCE 5 – GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Strategic Objective	To ensure good governance and stakeholder/public participation			Targets						Budget	Funding Source
				Annual Baseline	5 Year Target	14/15	15/16	16/17	17/18	Opex	Internal
	Description of Capital Projects, Programmes and activities	KPI	Department								
<b>Governance Structures</b>	Annual Risk Based Internal Audit Plan	Reviewed Risk Based Internal Plan	Municipal Manager	1 Plan	Reviewed Risk Based Internal Audit Plan	Reviewed Risk Based Internal Audit Plan	Reviewed Risk Based Internal Audit Plan	Reviewed Risk Based Internal Audit Plan	Reviewed Risk Based Internal Audit Plan	<b>Opex</b>	<b>Internal</b>
<b>Governance Structures</b>	Auditor General's Report	% of AG's Audit Findings	Municipal Manager		90%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Governance Structures</b>	Annual Council Structures Year Planner	% of meetings held by Council Committees in terms of the approved annual planner[Council, Mayco, Portfolio Committee, Audit&Risk, MPACC	Municipal Manager/CorpServ	None		100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>

<b>Governance Structures</b>	IDP Representative Forum	Established Functioning IDP Rep forum	Municipal Manager/IDP Manager	IDP Representative Forum	Established and functioning IDP Rep forum	Established and functioning IDP Rep forum	Established Functioning IDP Rep forum	Established functioning IDP Rep forum	Established functioning IDP Rep forum	<b>Opex</b>	<b>Internal</b>
<b>Stakeholder Participation</b>	Develop a Public Participation Strategy	Public Participation strategy developed	Municipal Manager	Public Participation strategy developed	Public participation strategy reviewed	Public Participation strategy reviewed	Public Participation strategy reviewed	Public Participation strategy reviewed	Public participation strategy reviewed	<b>Opex</b>	<b>Internal</b>
<b>Stakeholder Participation</b>	Advertising of all statutory meeting	copies of newspaper adverts for advertised meetings	municipal manager	All newspaper adverts	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	Copies of newspaper adverts for advertised meetings	<b>Opex</b>	<b>Internal</b>
<b>Stakeholder Participation</b>	Development of ward based plans	Ward based plans developed & approved by council	municipal Manager	20	160	20	20	20	20	<b>Opex</b>	<b>DPLGTA</b>
<b>Stakeholder Participation</b>	Assist CDWs household profiling	%households profiled	Municipal Manager	None	None	To be determined	To be determined	To be determined	To be determined	<b>Opex</b>	<b>DPLGTA</b>
<b>Stakeholder Participation</b>	Training of Ward Committees on Governance	All ward committees trained on governance	Municipal Manager	20	160	20	20	20	20	<b>Opex</b>	<b>DPLGTA/LGG Seta</b>
<b>Stakeholder Participation</b>	Ward Committee Annual Programme	% of ward committee meetings as per approved	Municipal Manager	None	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>

	e	programme									
<b>Stakeholder Participation</b>	Attendance of Ward Committee Meetings	% of ward committee members attending meetings	Municipal Manager	% of ward committee members attending meetings	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>Stakeholder Participation</b>	Participation in IDP & Budget Processes	% utilization of available mediums (website, newspaper, posters, radio, memos)	Municipal Manager	%	None	% utilization of available mediums (website, newspaper, posters, radio, memos) informing public of meetings	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	Utilisation rate of 50% of all available media	<b>Opex</b>	<b>Internal</b>
<b>Risk Management</b>	Update risk register	% potential registered risks on the risk register	Municipal Manager	% potential registered risks on the risk register	% potential registered risk on the risk register	% potential registered risk on the risk register	% potential registered risk on the risk register	% potential registered risk on the risk register	% potential registered risk on the risk register	<b>Opex</b>	<b>Internal</b>
<b>Risk Management</b>	Establish risk and fraud management committee	Risk and fraud management committee established and approved by	Municipal Manager	None	Risk and fraud management committee	100% attendance of scheduled risk and	% attendance of scheduled risk and	% attendance of scheduled risk and	% attendance of scheduled risk and	<b>Opex</b>	<b>Internal</b>

	e	council			tee establis hed and approv ed by council	fraud manag ement com.m eetings	fraud manag ement com.m eetings	fraud manag ement com.m eetings	fraud manag ement com.m eetings		
<b>Risk Managem ent</b>	Risk managem ent policy	Developme nt of a Pisk Manageme nt Policy	Municipal Manager	None	Approv ed Risk Manag ement policy	Review Risk Manag ement policy	Review Manag ement Policy	Review Manag ement Policy	Review Manag ement Policy	<b>Opex</b>	<b>Internal</b>
<b>Risk Managem ent</b>	Departme ntal Disaster Recovery Plans	Approve department al disaster recovery plans	municipal Manager	Approv ed depart mental DRPs	Approv ed depart mental DRPs	Approv ed depart mental DRPs	Approv ed depart mental DRPs	Approv ed depart mental DRPs	Approv ed depart mental DRPs	<b>Opex</b>	<b>Internal</b>
<b>POLICIES</b>	Policies and procedure s	Submit list of policies and procedures up for review	Municipal Manager	Submit ted list of policies	Submit ted list of policies	Submit tend list of policies	Submit ted list of policies	Submit ted list of policies	Submit ted list of policies	<b>Opex</b>	<b>Internal</b>
<b>BYLAWS</b>	Bylaws Awarenes s Programm es	Approved bylaw awareness programme	Municipal Manager/Co rpServ	Approv ed bylaw aware ness progra mme	Approv ed bylaw aware ness progra mme	Approv ed bylaw aware ness progra mme	Approv ed bylaw aware ness progra mme	Approv ed bylaw aware ness progra mme	Approv ed bylaw aware ness progra mme	<b>Opex</b>	<b>Internal</b>
<b>MONITOR ING &amp; EVALUTIO N</b>	Departmen tal SDBIPs	% DePartmen tal SDBIP targets achieved	Municipal Manager	100%	100%	100%	100%	100%	100%	<b>Opex</b>	<b>Internal</b>
<b>MONITOR ING &amp; EVALUTIO N</b>	Cascading of performa nce managem ent system	% cascading of department al targets	Municipal Manager/Co rpServ	None	New	100% cascadi ng	100% cascadi ng	100% cascadi ng	100% cascadi ng	<b>Opex</b>	<b>Internal</b>

<b>MONITORING &amp; EVALUATION</b>	Performance Management Policy	Review PMS Policy	Municipal Manager/CorpServ	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	Approved PMS Policy	<b>Opex</b>	<b>Internal</b>
<b>MONITORING &amp; EVALUATION</b>	<b>Performance Management</b>	Submission of quarterly, Mid and annual reports	Municipal Manager/IP ED	6	6	Quarterly reports submitted to relevant committees at predetermined dates	Quarterly reports submitted to relevant committees at predetermined dates	Quarterly reports submitted to relevant committees at predetermined dates	Quarterly reports submitted to relevant committees at predetermined dates	<b>Opex</b>	<b>Internal</b>
<b>INTERGOVERNMENTAL RELATIONS</b>	IGR Participation	% IGR activities attended	Municipal Manager	50%	50%	50%	50%	50%	50%	<b>Opex</b>	<b>Internal</b>
<b>COMMUNICATION</b>	Communication policy	Approved external communication plan	Municipal Manager	Approved external communication plan	Approved external communication plan	Approved external communication plan	Approved external communication plan	Approved external communication plan	Approved external communication plan	<b>Opex</b>	<b>Internal</b>
<b>COMMUNICATION</b>	Website	Functional website	Municipal Manager/CorpServ	Functional website	Functional website	Functional website	Functional website	Functional website	Functional website	<b>Opex</b>	<b>Internal</b>

## 6.7 UNFUNDED PROGRAMMES AND PROJECTS

Strategic Objective	UNFUNDED PROJECTS					Targets					Budget	Funding Source
	Description of Capital Projects, Programmes and	Key Performance Indicators	Type of Indicator {Input (I),	Wards	Department	Annual Base line	3 Year Target	14/15	15/16	16/17		



	Activities	(KPI's)	Output (O), Outcome (OC), I (M)}									
LED	Mining	Quarry development for crush stone	2,3,11,12.	All								External
Infrastructure	Comprehensive Integrated Transportation Network Plan with Road & Stormwater Management System			Ward 1.2.3,4,5								External
Infrastructure/LED	Fuel/Filling Station + Offices + v) Residential Units (CRU) + GAP/FLISP Houses + Block of flats) Nkobongo Mountain/Forest + + Plant Water Bottle: Natural Water Bottled from Emchatha Spring (Ntsimba Sub-Village) and Natural Water from			Ward 1.2.3,4,5								External

	Nkobongo Mountain (Deberha Area)											
	Industrial Development and Associated Engineering Services Including Bulk Services			3							External	External
Infrastructure/LED	Establishment of brick and block making firm			Ward 1.2.3, 4,5								External
LED	Preparation of an Agricultural and Farming Development Plan + General Agriculture and Farming Developments _ A holistic Comprehensive Development Programme			All								External
Education	Construction of a private senior secondary boarding school that commence from grade 7 to grade			Ward 1.2.3, 4,5								External

	12 which will accommodate at least 1000 students in both classes and boarding accommodation											
DEDEAT	Hotel and all associated											External
Community Sev/Infrastructure	Construction of Community Halls in each centre of each Administrative Area (Community Hall x 9 No of AA)			Ward 1.2.3, 4, 5								External
	Construction of a new police station with holding cells at Mqonci/Ngquthurha Developmental Area			Ward 1.2.3, 4, 5								External
SAPS	Construction of a new clinic at Mqonci/Ngquthurha Developmental Area			Ward 1.2.3, 4, 5								External
Health	Upgrading of Mjanyana			Ward 1.2.3								External

	hospital			,4,5								
Education	Upgrading of Nosimo Technical School and Provision Necessary Resources			Ward 1.2.3 ,4,5								External
Education	Construction of Bazindlovu Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room			Ward 1.2.3 ,4,5								External
	Construction of Ntlalukane Junior Secondary School which will accommodate at least 800 students in both classes and a hall and a staff room			Ward 1.2.3 ,4,5								External
Infrastructure	Upgrading and/or construction of the existing gravel access roads into			Ward 1.2.3 ,4,5								External

	surface standard (120x20km/ village)											
Infrastructure	Upgrading of the existing major gravel road network to surfaced standard			Ward 1.2.3 ,4,5								External
Infrastructure	Upgrading and/or construction of the existing gravel internal loop roads in the villages (120x20km/ village)			Ward 1.2.3 ,4,5								External
Infrastructure	Upgrade and/or construction of new bridges _ 14No.			Ward 1.2.3 ,4,5								External
Infrastructure	14 new pedestrian Bridges			Ward 1.2.3 ,4,5								External
Infrastructure	Holding Dam			Ward 1.2.3 ,4,5								External
Infrastructure	Construction of a new water treatment plant, service reservoirs			Ward 1.2.3 ,4,5								External

	and reticulation to the communities											
Infrastructure	Sanitation – Septic Tanks System for all households (Average household per village is 300HH, total number of villages is 90 villages)			Ward 1.2.3 ,4,5								CHDM/EL M
LED	Constructio n Cultural Village			Ward 1.2.3 ,4,5								DEDEAT
Hala Trust	Constructio n of Hala Traditional Council			Ward 1.2.3 ,4,5								Hala Consortiu m
Health	Constructio n of 12 clinics + All Engineering Services			Ward 1.2.3 ,4,5								Public Works
Communit y Sev/Infrast ructure	Constructio n of descent sport centres in each centre of each administrati ve area of 9 administrati ve areas to accommoda te Soccer, Rugby,			Ward 1.2.3 ,4,5								DSRAC

	Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture											
	Upgrading of Bekileni Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Nkala Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Nkala Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Qengqeleka Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Sobuza Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Tora Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Kidstone Junior Secondary School			Ward 1.2.3 ,4,5								

Education	Upgrading of Quluqu Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Construction of Laphethuka Junior Secondary Schools			Ward 1.2.3 ,4,5								
Education	Upgrading of Zama-zama Senior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Dabulingwe Junior Secondary School			Ward 1.2.3 ,4,5								
Education	Upgrading of Zwelihle Senior Secondary School			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Zwelihle High School			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Bekileni J.S.S.			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Bekileni			Ward 1.2.3 ,4,5								



	J.S.S.											
Education	Establishment of 200 computer laboratory at Nosimo S.S.S.			Ward 1.2.3,4,5								
Education	Establishment of 200 computer laboratory at Qengqeleka J.S.S.			Ward 1.2.3,4,5								
Education	Construction of Silimela Primary School which will accommodate at least 800 students in both classes and a hall and a staff room			Ward 1.2.3,4,5								
Education	Establishment of 200 computer laboratory at Sobuza J.S.S.			Ward 1.2.3,4,5								
Education	Establishment of 200 computer laboratory at Tora J.S.S.			Ward 1.2.3,4,5								
Education	Establishment of 200 computer laboratory at Quluqu			Ward 1.2.3,4,5								

	J.S.S.											
Education	Establishment of 200 computer laboratory at Kidstone J.S.S.			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Laphethuka J.S.S.			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Zama-zama S.S.S.			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Silimela Primery School			Ward 1.2.3 ,4,5								
Education	Establishment of 200 computer laboratory at Bazindlovu S.S.S.			Ward 1.2.3 ,4,5								
DSRAC/Community Sev/Infrastructure	Construction of acceptable play grounds in each sub-village of Hala Area to accommodate Soccer,			Ward 1.2.3 ,4,5								

	Rugby, Netball, Cricket, Baseball, Athletics, Recreation, Arts and Culture (111 sub- villages)											
Community Sev/Infrastructure	Community Hall x 81No.			Ward 1.2.3 ,4,5								

### Social Development Projects

PROG	NAME OF SUB-PROGRAMME	NAME OF PROJECT	NO OF BENEFICIARIES	WARD	AMOUNT
2	2.2 SERVICES TO OLDER PERSONS	1. Zola Older Persons Center	50	11	R120 000.00
		2. Masivukeni Qumanco Older Persons Center	50	7	R120 000.00
		3. Masiphakameni Badala Older Person Center	50	13	R 96 000.00
		4. Siyazama Older Persons Center	50	4	R 98 000.00

		5. Mqonci Service Center	50	2	R120 000.00
		6. Dalubuhle Service Center	50	20	R120 000.00
2	2.4 HIV/AIDS	1. Imbumba HCBC	10	12	R463 800.00
		2. Ilinge Lethu HCBC	10	05	R450 800.00
		3. Thandisizwe HCBC	10	19	R214 000.00
		4. Yolisa HCBC	15	02	R625 800.00
2	2.5 SOCIAL RELIEF	Social relief	600	ALL WARDS	
3	3.2 CARE AND SERVICE TO FAMILIES	Family preservation programme	130	11	R100 000.00
	3.3 ECD AND PARTIAL CARE	1. Sincedenathi pre-school	27	15	R153 648.00
		2. Makukhanye Beyele Pre-school		07	RR139 224.00
		1. ESIGANGENI	26	09	R110 880.00
		2. EYETHU	40	18	R158 400.00
		3.GREENLANDS	25	09	R80 000.00
		4. IKAMVALETHU	40	16	R170 280.00
		5.JONGABANTU	37	15	R162 360.00
		6. KANYISO	53	19	R194 040.00
		7. KUBEKI	30	20	R118 800.00
		8.KUYASA	38	13	R103 248.00
		9.LOWER MSINTSANA	25	15	R138 738.00
		10. LUKHANYO	58	06	R124 752.00
		11.MAKUKHANYE BEYELE	40	02	R139 224.00
		12.MAKUKANYE XONYA	29	07	R180 000.00
		13.MALANGAZANA	51	05	R118 800.00
		14.MASANDE	30	19	R178 200.00
		15.MASIBAMBANE 59	43	03	R130 680.00
		16.MASIBAMBANE 67		18	R267 600.00
		17.MASIBONISANE	30	01	R166 320.00
		18. MASIKHULENATHI	49	14	R114 840.00
		19.MASIZAKHE	42	16	R166 320.00
		20.MHLOPHEKAZI	44	16	R174 240.00
		21.MITHI	30	18	R178 200.00
		22.NALEDI	36	04	R186 120.00
		23.NCEDOLWETHU	55	02	R174 240.00
		24.NCEDULUNTU	30	11	R178 200.00
		25.NOBUHLE	34	02	R118 800.00
		26. NOLUTHANDO	36	17	R138 600.00
		27.NOMZAMO	57	18	R221 760.00
		28.NONKQUBELA	39	16	R166 320.00
		29.NOSAPHO	40	03	R170 280.00
		30.NOZOLILE	40	03	R160 608.00
		31.NYANGILIZWE	30	19	R110 880.00
		32.PHAKAMISANISIZWE	32	18	R130 680.00
		33.SILINDINI	30	13	Rr118 800.00
		34.SINCEDENATHI	27	15	R153 648.00

		35.SIZANANI	58	09	R163 008.00
		36.TALENI	40	08	R237 600.00
		37.THEMBELIHLE	30	06	R237 060.00
		38.TSALABA	54	13	R118 800.00
		39.TYENI	35	16	R138 600.00
		40.VUKANI	37	20	R146 520.00
		41.ZANEBANDLA	38	19	R153 648.00
		42.ZANONCEDO	20	01	R 79 200.00
		43.ZIZAMELE	25	19	R117 648.00
		44.ZWELITSHA	40	11 &12	R138 000.00
		45.KUYAKHANYA	30	11&12	R118 800.00
		46.PHAKAMANI	30	13	R167 760.00
		48.MASIMANYANE	30	04	R132 000.00
		47.Ngcobo TADA	22		R332 900.00
5.	<b>5.4 SUSTAINABLE LIVELIHOODS</b>	1. SILINDINI HOUSEHOLD FOOD GARDEN PROGRAMME	40	13	R500 000.00
	<b>5.4 SUSTAINABLE LIVELIHOODS</b>	LOWER QEBE HOUSEHOLD FOOD GARDEN PROGRAMME	40	13	R500 000.00
	<b>5.4 SUSTAINABLE LIVELIHOODS</b>	COBOSI HOUSEHOLD FOOD GARDEN PROGRAMME	30	4	R500 000.00
	<b>5.7 WOMEN DEVELOPMENT</b>	SILINDINI HOUSEHOLD POULTRY PROGRAMME	20	13	R325 000.00
	<b>5.7 WOMEN DEVELOPMENT</b>	LOWER QEBE HOUSEHOLD POULTRY	20	13	R325 000.00

		PROGRAMME			
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## Department of Rural Development and Agrarian Reform

- ☐ Land care project at Sidindi and Mhlahlane
- ☐ Shearing shed at Jojweni- Gubenxa
- ☐ Shearing shed at Mnyolo-
- ☐ Dipping tank at Manzimdaka
- ☐ Sinqumeni Dohne Merino breeding centre at Sinqumeni

## CHAPTER 7: HIGH LEVEL SECTOR PLANS AND BY-LAWS

The legislated Plans and service – oriented plans are indicated in the table below;

Sector Plan/Strategy	Status Quo	Strategic Intervention
Public Participation 2011	Available	N/A
<b>Overview</b> -The Strategy encourages and create conditions for the local community to participate in the affairs of the Municipality amongst others the preparation, implementation and review of the Municipality's Integrated Development Plan (IDP), the establishment, implementation, and review of the Municipality's Performance Management System, the monitoring and review of the Municipality's performance, including the outcome and impact of such performance, consideration of draft by – laws, the preparation of the Municipality's budget and consideration of the Municipality's Tariffs and Debt Collection policies.		
HIV and AIDS Mainstreaming	Shared with CHDM	Being mainstreamed at department level
<b>Overview</b> – The municipal goal is the creation of a community that is well educated and aware of HIV and		

AIDS that strives for reduction of the infection rate by 50; have access to educational, prevention programmes and is mobilized against the stigma and discrimination of the infected and affected.		
Special Programmes (Youth, Women, People with disability)	Unavailable	N/A
Integrated Transport Plan (ITP) 2010	Shared with CHDM	N/A
Area Based Plan 2010	Shared with CHDM	Funds and technical support for implementation
Water and Sanitation Development Plan 2011	Shared with CHDM	N/A
Environmental Management Plan	Shared with CHDM	N/A
Integrated Waste Management Plan	Shared with CHDM	N/A
Disaster Management Plan	Shared with CHDM	N/A
Climate Change Strategy (new)	Unavailable	CHDM is in the process of developing the Strategy to be shared by the local municipalities
Storm Water Management Plan	Available	N/A
Spatial Development Framework 2010	Available	To be reviewed in 2014/15
<b>Overview</b> -The Engcobo SDF was adopted by Council during August 2010 SDF is crucial in unlocking the land development potential to achieve the following key issues; basic needs and Spatial Fragmentation; linkages and Access; land Use and environmental Management; coordination of Integrated capacity & Planning System; and sustainable socio-economic and infrastructure development. It identifies nodal points to guide future planning, this is Central Business District (CBD)		
Integrated Human Settlement Strategy	Shared with DoHS	N/A
Electricity Master Plan 2010	Available	Funds for implementations and maintenance
Overview		
Infrastructure Investment Plan 2011	Available	
Overview		
Land Use Management Plan	Unavailable	Continuous lobby for technical and financial support from relevant sector departments
Local Economic Development (LED)	Available	Currently being reviewed with the assistance of LGTA
<b>Overview</b> - The Engcobo LED Plan was developed and approved by council in November 2010. In terms of the National LED Framework, it seeks to achieve the following; provide direction to the LED unit; emphasize the role of the entire municipality and other stakeholders in terms of LED; set LED targets that		

<p>are aligned to national and provincial priorities; coordinate efforts of private and public sector stakeholders in LED; inform the municipalities IDP (as the LED Plan is a sector plan of the IDP)</p> <p>The objective of the LED Plan is therefore to identify economic potential in the Engcobo Local Municipality and develop a plan of action to exploit these opportunities.</p>		
Information Technology Policy 2011	<b>Available</b>	Currently being implemented
<p><b>Overview</b>-Information Technology policy was adopted by Council in November 2011; it serves to outline management's expectations of IT systems and employees as far as securing information is concerned. All information security, any related activities and personnel are required to abide by the policy, any deviations will be authorized by senior management or the information security officer.</p> <p>The objective of this Policy is to define and propagate an environment that will ensure that the municipality's information assets are properly protected, these include data stored electronically, data transmitted across networks, data transmitted by fax, printed or written on paper, or unwritten data and through meetings and telephonically.</p>		
Workplace Skills Development Plan 2012	<b>Available</b>	N/A
Performance Management System (PMS) Framework 2012	<b>Available</b>	Cascading to lower levels
<p><b>Overview</b> -The PMS framework was reviewed in September 2012 for performance alignment on IDP, SDBIP and balanced scorecards. The implementation and institutionalization of an Integrated PMS within Engcobo requires that performance management and assessment occurs at two levels. It requires that performance is managed both at an institutional level and at an individual level. The Municipal Manager and s57 Managers have all signed performance agreements. Quarterly reports mid-year and annual reports are developed and submitted.</p>		
Succession Plan	<b>Available</b>	N/A
Attraction and Retention Strategy 2012	<b>Available</b>	N/A
Municipal By – laws 2012	<b>Available</b>	26 by-laws have been gazetted
Comprehensive Infrastructure Plan (CIP) 2012	<b>Available</b>	Funds for implementation
<p><b>Overview</b> - In collaboration with DLGTA the municipality appointed a service provider to assist in preparing a comprehensive infrastructure plan, it was adopted 2012.</p>		
Draft Risk Management Plan 2013	<b>Available</b>	In a draft form awaiting Council Resolution
Communication Strategy 2012	<b>Available</b>	N/A
<p><b>Overview</b> - The purpose of the Communications Strategy is to ensure that all communications initiatives in Engcobo Local Municipality are well coordinated, integrated and focused. The strategy is being designed at the end of the Financial Year. It is going through all the Council processes to be adopted. The intention is to budget for a Communications Unit as one of the mere existences of Council is based on the mandate by the communities. They must at all times be informed about the activities of the municipality.</p>		
Anti-Corruption Strategy 2013	<b>Available</b>	N/A



<b>Overview</b> - Policy has been developed and approved by Council in 2013. Awareness workshops are still to be conducted and the procedure manual for the policy is yet to be finalized.		
Financial Management Policies 2013	<b>Available</b>	Funds for implementation
Employment Equity Plan 2013	<b>Available</b>	N/A
<b>Overview</b> -The Employment Equity Plan has been developed for a 5 year period, namely from 2013 to 2018. It reflects the collective vision of the staff of the Municipality and the EE Consultative Forum comprises representatives from across the Municipality as well as employee organizations and will be the structure to assist the Municipal Manager and the Council in monitoring progress on the implementation of the Plan.		
Financial Policies 2013	<b>Available</b>	Funds for implementation
<b>Overview</b> -The policies aim at enhancing smooth service delivery through policy guidelines on the understanding, use and control of resources and the extent of their availability. The policies include the following; budget policy; asset management; credit control; indigent policy; rates policy, cash receipts and banking policy.		
Human Resources and Institutional Development Policies 2013	<b>Available</b>	Funds for implementation
<b>Overview</b> -The comprehensive Human Resources policy contains the human resources policies and procedures of the Municipality. The purpose of this Human Resources Policy is to ensure that service delivery is enhanced within an environment characterized by employment justice, cultural diversity and transparency. It further provides a set of processes, procedures, rules and regulations for the consistent interpretation and application of collective agreements and legislation governing human resources management.		

## ENGCOBO LOCAL MUNICIPALITY: ADOPTED BY- LAWS AND POLICIES

<b>NO:</b>	<b>BY-LAW – ADOPTED NOVEMBER 2013</b>
1.	Credit Control and Debt Collection by-law
2.	Indigent by-law
3.	Caravans and mobile homes
4.	Parking Attendants
5.	Cemeteries
6.	Accommodation Establishments
7.	Swimming Pool

8.	Lease of Municipal Halls
9.	Ward Committees
10.	Street Trading
11.	Advertising Signs
12.	Advertising Signs
13.	Use of Liquor
14.	Control of Stray Animals
15.	Keeping of dogs
16.	Slaughtering of Animals
17.	Keeping of wild animals
18.	Nuisance by-law
19.	Roads and traffic
20.	Storm water management in built-up areas
21.	Impoundment of animals
22.	Animals birds and domestic pets
23.	Advertising signs and displacement of the frontages of streets
24.	Prevention of nuisances
25.	Keeping of animals
<b>NO:</b>	<b>HUMAN RESOURCE POLICIES – ADOPTED NOVEMBER 2013</b>
1.	Acting and Acting Allowance Policy
2.	Disciplinary procedure policy
3.	Leave Policy
4.	Code of Conduct
5.	Night Work and Shift Allowance Policy

6.	Overtime and Work on Sundays and Public Holidays Policy
7.	Recruitment, Selection and Placement Policy
8.	Attraction and Retention Policy and Strategy
9.	Smoking Policy
10.	Standby Policy
11.	Integrated Telephone Usage and Cell phone Policy
12.	Transport and Vehicle Usage Policy
13.	Motor Vehicle Acquisition Policy
14.	Performance Management System Policy
<b>NO</b>	<b>FINANCE POLICIES - ADOPTED NOVEMBER 2013</b>
1.	Cash and investment management
2.	Budget control
3.	Credit control and debt collection
4.	Fraud management
5.	Subsequent event
6.	Risk
7.	Tariff
8.	Expenditure
9.	Asset Management
10.	Provision for bad debts
11.	Contingency liability
12.	Subsistence and Travelling (SNT)
13.	Petty Cash

14.	Supply Chain Management Policy
15.	Indigent
16.	Delegation

## **Annexure A: PERFORMANCE MANAGEMENT FRAMEWORK**

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### **Working Definition**

Performance management is viewed as a continuous and cyclic process of evaluating our actions and operations to determine whether we are delivering the desired level of development committed in our IDP. It is envisaged as a process that will roll-out incrementally following the steps illustrated in the figure below:

### **PMS CYCLIC PROCESS**

Engcobo municipality subscribes to the view that PMS is a strategic management tool which equips (with a set of tools and techniques) leaders, managers, workers and stakeholders at different levels of an organization to regularly plan, continuously monitor, periodically measure, review and report performance of the organization in terms of a set of chosen indicators and targets for achieving development efficiency, effectiveness and impact.

In practical terms, performance management refers to the use of indicators to show how the organisation is performing on its development objectives as set out in the ruling integrated development plan. In Engcobo, this will involve among other things:

- developing performance scorecards (two levels - Strategic and Departmental)
- setting of clear objectives, indicators and targets for performance (Based on IDP)
- determining baseline levels for indicators before finalizing targets
- gathering of measurement information to determine progress against set indicators and targets
- regular reviewing of performance (monthly, quarterly & annually)
- periodic reporting on performance (monthly, quarterly & annually)
- regular auditing of performance reports
- periodic assessing, evaluating and reviewing of the effectiveness of PMS itself

### **Policy Context for Municipal PMS**

In 1997 the white paper on local government introduced the concept of performance management systems as a mechanism to improve accountability and enhance public trust on local government. The white paper further suggests that by involving communities in setting key performance indicators and reporting back to communities on performance, accountability is increased, and public trust in the local government system is also enhanced.

In 1998, the White Paper on Transforming Public Service Delivery (Batho Pele) was adopted as a policy to enhance and enforce quality service among civil servants. All employees of public entities (government institutions including local government municipalities) are obliged to adhere to the provisions of the Batho Pele policy. These provisions are captured in the form of the following eight key principles:

- a) **Consultation:** - Citizens should be consulted about the level and quality of public service they receive, and, where possible, should be given a choice about the services which are provided.
- b) **Service standards:-** Citizens should know what standard of service to expect and should be consulted if promised service standards are to change including development targets set in terms of the IDP.
- c) **Access:** - All citizens should have equal access to the services to which they are entitled. State of exposure to income or poverty should not be reason enough to lack access to a basic level of service.

- d) **Courtesy:-** Citizens should be treated with courtesy and consideration.
- e) **Information:-** Citizens should be given full and accurate information regarding public services they are entitled to receive.
- f) **Openness and transparency:-** Citizens should know how departments are run, how resources are spent, and who is in charge of particular services.
- g) **Redress:-** If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made citizens should receive a sympathetic, positive response.
- h) **Value-for-money:-** Public services should be provided economically and efficiently in order to give citizens the best possible value-for-money.

The two policies mentioned above provide the framework for implementing performance management system in a municipality.

In order to ensure compliance with the objects of the constitution and national policy, Engcobo municipality accepted the local government and Batho Pele white papers as its policy framework for performance management system and for advancing the cause of local government transformation.

### **Legal Context for Municipal PMS**

The municipal systems act 32 of 2000 calls for all municipalities to establish and implement performance management systems. In its chapter six, the act prescribes for all municipalities to:

- develop a performance management system
- set targets, monitor and review performance based on indicators linked to their integrated development plan (IDP)
- publish an annual report on performance for the councillors, staff, the public and other spheres of government
- incorporate and report on a set of general indicators prescribed nationally by the minister responsible for local government
- conduct an internal audit on performance before tabling the report.
- have their annual performance report audited by the Auditor-General
- involve the community in setting indicators and targets and reviewing municipal performance

In August 2001 regulations on municipal planning and performance management were published by Department of Provincial and Local Government (**dplg**) to further explain the requirements of the act.

The regulations provide minimum requirements for a municipal performance management system and prescribe a set of seven national key performance indicators that must be measured and reported to national government by all municipalities annually. According to the regulations a municipal PMS must ensure that it:

- complies with all the requirements set out in the Municipal Systems Act;
- demonstrates how it is to operate and be managed from the planning stage up to the stages of performance and reporting;
- clarifies the roles and responsibilities of each role-player, including the local community, in the functioning of the system;
- clarifies the processes of implementing the system within the framework of the integrated development planning process;
- determines the frequency of reporting and the lines of accountability for performance;
- relates to the municipality's employee performance management processes;
- provides for the procedure by which the system is linked to the municipality's integrated development planning processes;

The regulations also prescribe that municipalities must monitor their performance and report on these national indicators (in addition to their local level indicators):

- a) the percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- b) the percentage of households earning less than R1200 per month with access to free basic services;
- c) the percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;
- d) the number of jobs created through municipality's local economic development initiatives including capital projects
- e) the number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;

- f) the percentage of a municipality's budget actually spent on implementing its workplace skills plan; and
- g) financial viability as expressed by the following ratios:

$$(i) \quad A = \frac{B - C}{D}$$

Where - "A" represents debt coverage

"B" represents total operating revenue received

"C" represents operating grants

"D" represents debt service payments (i.e. interest plus redemption) due within the financial year;

$$(ii) \quad A = \frac{B}{C}$$

Where - "A" represents outstanding service debtors to revenue

"B" represents total outstanding service debtors

"C" represents annual revenue actually received for services;

$$(iii) \quad A = \frac{B + C}{D}$$

Where - "A" represents cost coverage

"B" represents all available cash at a particular time

"C" represents investments

"D" represents monthly fixed operating expenditure.

In terms of section 53 of the Municipal Finance Management Act (MFMA) 2003, the mayor of a municipality must take reasonable steps to ensure that the annual performance agreements of the municipal manager and all senior managers are linked to the measurable performance



objectives approved with the budget and to the service delivery and budget implementation plan; and are concluded in accordance with section 57(2j) of the Municipal Systems Act.

Coupled with the MSA: 2000, the MFMA: 2003 provide for the development of a mid-term budget and performance assessment of the municipality. The development of the mid-year budget and performance assessment report should give an indication on the progress made by the municipality for the past six months. The MFMA requires that the accounting officer of the municipality take into account the performance of the municipality against the performance expectations set by senior managers and their departments.

The legislative framework referred to above provides a solid case for the implementation of Engcobo performance management systems in local municipalities.

### **Other Benefits for Establishing PMS**

For Engcobo LM, the rationale for establishing PMS goes much deeper than the mere partial fulfilment of the legislative requirements. The following are other benefits for implementing a PMS.

#### **Increased accountability**

The performance management system should aim to provide a mechanism for ensuring increased accountability between:

- The residents of the Engcobo Local and the municipal council,
- The political and administrative components of the municipality,
- Each department and the executive office.

#### **Learning and improvement**

While ensuring that accountability is maximised, the performance management system must also provide a mechanism for learning and improvement. It should allow for the municipality to know which approaches are having the desired impact, and enable the municipality to improve delivery. It should form the basis for monitoring, evaluating and improving the Integrated Development Plan.

#### **Early warning signals**

The performance management system should provide Managers, the Municipal Manager, Standing Committees and the Executive Committee with early warning of non-performance of the full implementation of the Integrated Development Plan. It is important that the system ensures decision-makers are timeously informed of possible non-performance, so that they can facilitate pro-active intervention, if necessary.

#### **Effective decision-making**

The performance management system should provide appropriate management information that will allow efficient, effective and informed decision-making, particularly on the allocation of resources.

The functions listed above are not exhaustive, but summarise the intended benefits of the performance management system to be developed and implemented. These intended functions should be used to evaluate the performance management system periodically.

### **Principles Guiding PMS Implementation**

This policy provides for implementation of a comprehensive Engcobo PMS based on the following set of guiding principles:

- UNIFORMITY - System must apply uniformly to all affected
- DEVELOPMENTAL - Must be developmental in nature, not punitive. Therefore, must focus on outcomes or development impact achievements rather than short term individual benefits like earning bonuses
- EQUITY OF RIGHT -Must balance organisational needs and employee rights
- PERFORMANCE CONTRACTS -Must provide for signing of performance contracts by section 57 managers
- PMS MODEL -Must identify suitable model commensurate with existing organisational capacity, constraints & LG legal context.
- EARLY WARNING -Must promote use as an early warning system
- TRANSPARENCY – Must provide for effective participation of affected parties in arriving at final targeted performance commitments (setting of targets to be discussed and agreed with those the people / units whose performance will be managed)
- DEMOCRATIC - Must provide for involvement of key stakeholders in the processes of PM planning, monitoring, review, reporting and auditing

### **Institutional Arrangements**

#### **PMS Co-ordination.**

For purposes of coordinating PMS activities inside the municipality the policy provides for the delegation of authority to the corporate services manager to be the PMS coordinator. In terms of the envisaged role the PMS coordinator shall:

- Facilitate PMS communication
- Coordinate daily liaison

- Issue memos inviting inputs and reports from managers
- Facilitate implementation (monitoring & measurements of KPIs, reviews, report consolidation & submission, liaison with PMS audit committee etc.)

#### **PMS Audit function.**

For purposes of meeting legal requirements for the appointment of an independent audit committee to audit PM reports, the policy provides for:

- Maintaining current status quo whereby the district PM Audit committee also audits reports of the local municipality via an agreement with the district
- Creation of internal audit function to look at municipal PM reports prior to them being forwarded to the audit committee
- The extension of the terms of reference of the current audit structure which currently audits financial statements only to also incorporate the task of auditing performance reports of the municipality
- Preparation and submission of PM reports to be audited at least twice a year. This will happen during the months of January and June of each year. In this instance the policy suggests that the second report be an annual report to prevent duplication.

#### **Public participation**

For purposes of ensuring effective participation by all relevant stakeholders in the PM processes, the policy provides for the recognition and use of the same structures set for the IDP. In terms of this policy, public participation for the planning of PMS takes place during IDP formulation which must cater for the formulation of:

- Key development priorities agreed for each year
- Development objectives
- Key development targets agreed

Therefore, IDP steering committee, Representative forums, IGR and quarterly meetings will serve as main key platforms for public and broader stakeholder participation.

#### **Stakeholder Roles and Responsibilities**

The following figure outlines the key roles and responsibilities to be discharged by the various role players in the process.

#### **PMS Model for Engcobo Local Municipality**

## What is a model?

A model for performance management provides simplified mechanisms for understanding how better to organise and roll-out the various aspects of performance that should be measured, reported on and managed. It also provides a useful tool to predict and project future scenarios so that current decision-making could influence the desired future.

Why is a model important for PM?

Models have proved useful in performance management for the following reasons. They provide:

**Balance:** A good model will ensure balance in how the organisation measures and manages its performance. It should not bias performance measurement by relying on one facet of performance, but represent a multi-perspective holistic assessment of municipal performance.

**Simplicity:** A good model should organise simply, what would otherwise be a long list of indicators attempting to comprehensively cover performance, into a set of categories sufficiently covering all key areas of performance. Models differ most significantly in what they assert are the key aspects of performance.

**Mapping of Inter-relationships:** A good model will map out the inter-relationships between different areas of performance. These inter-relationships relate to the extent to which poor performance in one category would lead to poor performance in other related areas and the converse. These inter-relationships help in both the planning stage and the review stage, particularly in the diagnosis of causes of poor performance.

**Alignment of resources to strategy:** A good model will align the processes of performance management to the Integrated Development Plan & budgeting processes of the organisation. It will ensure that the Integrated Development Plan is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided by a model should relate directly to the identified priority areas of the Integrated Development Plan.

International experience in both the private and public sectors has shown that traditional approaches to measuring performance that tends to be heavily reliant on financial measures are severely lacking. These approaches tended to over-emphasise financial efficiency over other equally important variables of performance measurement and thereby providing a skewed perspective of the organisation's performance, particularly for a municipal organisation.

However, with recent developments in performance measurement literature in both the public and private sector, it has become well accepted that in order to assess an organisation's performance, a balanced view is required, incorporating a multi-perspective assessment of how the organisation is performing as seen by differing categories of stakeholders.

## The Municipal Scorecard model

In terms of this policy the municipal scorecard model is to be used as a preferred model for the municipality. This model provides a modified version of the balanced scorecard model which has been adapted to SA local government legislation environment. It is also based on four key perspectives outlined later in this section.

The choice of this model is based on the strengths that it is:

- Tightly aligned to the strategic planning (IDP) and Budget processes
- Directly relevant to the notions of developmental local government and co-operative governance
- Fits neatly with the envisaged legal process of managing performance in a municipal organisation in SA
- A balanced view of performance based on inputs, outputs, outcomes and processes
- A simple portrayal of municipal performance, where inter-relationships can be mapped
- Has been adopted as the recommended model for municipalities by the South African Local Government Association (SALGA) because of its simplicity and relevance to local government environment.

The Municipal Scorecard is based on four key perspectives, outlined in the figure below.

**The Development Impact Perspective:** In this perspective the municipality will need to assess whether the desired development impact in the municipal area is being achieved. This perspective will constitute the development priorities for the municipal area and indicators that tell us whether the desired development outcomes are being achieved. It will be difficult to isolate development outcomes for which the municipality is solely accountable. It is expected that the development priorities and indicators, will often lie within the shared accountability of the municipality, other spheres of government and civil society. The measurement of developmental outcomes in the municipal area will be useful in telling us whether our policies and strategies are having the desired development impact.

**The Service Delivery Perspective:** This perspective should tell us how a municipality is performing with respect to the delivery of services and products. This relates to the output of the municipality as a whole.

**The Resource Management Perspective:** This perspective should tell us how a municipality is performing with respect to the management of its resources:

- Budget & other financial Resources
- Human Resources
- Systems & Information
- Organisational Infrastructure (enabling equipment)

This relates to the inputs of the municipality as a whole.

**Governance Process Perspective:** This perspective should tell us how a municipality is performing with respect to its engagement and relationship with its stakeholders in the process of governance. This perspective should include, amongst others:

- Public participation
- Intergovernmental relations
- Customer care relations
- Citizen satisfaction
- Access to Information
- Communication strategies

This relates to the governance processes of the municipality as a whole.

Definition of concepts used in the scorecards

**Objectives:** are statements about what a service wants to achieve.

**Indicators:** are measures that tell us whether we are making progress towards achieving our objectives.

**A baseline measure:** is the value of the indicator before the start of the programme or prior to the period over which performance is to be reviewed.

**A target:** is the value of the indicator that we want to achieve by a specified time.

**The measurement source and frequency:** should indicate where the data emanates from, and how frequently it can be measured and reported. This information will assist the auditing process.

These have been used as the basis of the plans for the strategic and service scorecards.

Criteria adopted to guide selection of suitable indicators

**Focused and Specific:** Is the indicator selected clear, focused and not stated in an ambiguous way?

**Measurable:** Does the indicator have defined unit of measurement? Note that this unit must also be used in determining the target.

**Valid and Relevant:** Validity is the degree to which an indicator measures what it is intended to be measured. Is the indicator relevant to the objective of the performance being measured?

**Reliable:** Reliability is the degree to which repeated measures, under exactly the same conditions will produce the same result. How reliable is your indicator?

**Simple:** Good indicators will be simple, easy to communicate. A composite indicator would try to measure a series of performance dimensions at the same time, this may confuse. Where possible avoid using complex or composite indicators.

**Minimise perverse consequences:** Poorly chosen indicators, while they may have noble intentions, can have perverse consequences in the behaviours it incentives. Choose indicators that will incentives behaviour that is desired and not unintended results.

**Data Availability:** Good indicators will also rely on data that is, or intended to be, available on a regular basis. Be careful of choosing indicators that will not have data to be measured against.

### Levels of scorecards in a municipal scorecard model

There are two levels of scorecards recommended in the municipal scorecard model. These include the strategic and the services outcome scorecards as depicted in the figure below.

**The Strategic Scorecard:** The strategic scorecard will provide an overall picture of performance for the municipality as a whole, reflecting performance on its strategic priorities. The Municipal Manager and Managers of Departments will use it after review as a basis for reporting to the Executive Committee, Council and the public. In terms of this policy this scorecard is to be reported to Executive Committee quarterly, to Council six-monthly and the public annually for review.

**Service Scorecards:** The service scorecards will capture the performance of each defined service (can be a directorate or department line-function). Unlike the strategic scorecard, which reflects on the strategic priorities of the municipality, a service scorecard will provide a comprehensive picture of the performance of that service. It will consist of objectives, indicators and targets derived from the service plan and service strategies. It will be crucial that service scorecards should not duplicate current reporting, but be integrated to form a core component and

simplify all regular reporting from departments to the Municipal Manager and Standing Committees.

Service Scorecards will be comprised of the following components:

- Service Outcomes, which set out the developmental outcomes that the service is to impact on,
- Service Deliverables, which set out the products and services that the service will deliver,
- Resource Management, which sets out how the service will manage its Human and Financial resources, Information and Organisational Infrastructure
- Stakeholder Relations, which sets out how the service will improve its relationship with its key stakeholders

Performance in the form of a service scorecard will be reported to the Municipal Manager and relevant Standing Committee for review. The policy provides for the reporting in terms of this level of scorecard to be undertaken at least monthly. The policy assumes that the reporting on this level scorecard will be preceded by internal departmental reporting (reports from unit managers and supervisors to be consolidated by the head of departments) which is expected to happen more regularly than monthly intervals and would ideally inform the monthly management reports.

The policy suggests that municipal scorecard formats be designed to reinforce aggregation of information and alignment with service delivery budget and implementation plans (SDBIPs).

### **Monitoring and Measurement of Indicators**

For each indicator the scorecard require a responsible official, usually the respective line manager, to be designated by name. While this official is not necessarily fully accountable for performance on this indicator, he/she has the responsibility for conducting measurements of that indicator, analysing information and reporting results for reviews.

Analysis requires that line managers compare current performance with targets, past performance and possibly the performance of other municipalities, where data is available, to determine whether or not performance is poor. They should also analyse the reasons for performance levels and suggest corrective action where necessary.

Municipal-wide outcome indicators and satisfaction surveys may need to be co-ordinated centrally. It is recommendable that the PMS coordinator be tasked with this responsibility. An



effort should also be made to undertake regular (annually) surveys in order to provide data for indicators organisationally and for the different service scorecards:

## **Performance Reporting and Auditing**

The following figure outlines the envisaged PM reporting processes and lines of authority.

**Performance reporting:** As indicated in the above diagram reporting will commence from the internal department (weekly and chaired by HoD) then cascade to management (receive monthly management reports and chaired by municipal manager), thereafter, a bi-monthly report will be tabled to Exco by management. This report will move be consolidated with comments of Exco into a quarterly report to be tabled to council. At least two six-monthly reports will be forwarded for auditing by the audit committee during January and June of each year.

At the end of the year, an annual performance report will be produced and summarized for public reporting by the mayor via Imbizos and by the manager to auditor general and PDLG&TA.

**Quality Control:** All auditing should comply with Section 14 of the Municipal Planning and Performance Management Regulations (2001). Managers responsible for line functions should undertake quality control of the information gathered and presented in the scorecard.

**Co-ordination:** The performance management coordinator is required by the framework to co-ordinate and ensures good quality of reporting and reviews. It is his or her role to ensure conformity to reporting formats and check the reliability of reported information, where possible or when asked to do so by Exco / council.

**Performance Investigations:** This policy provides for the Executive Committee or Audit Committee when deemed necessary to can commission in-depth performance investigations where there is either continued poor performance, a lack of reliability in the information being provided or on a random ad-hoc basis. Performance investigations could cover assessment of:

- The reliability of reported information
- The extent of performance gaps from targets
- The reasons for performance gaps
- Corrective action and improvement strategies
- Validity of evidence material submitted in support of claims

While the internal audit function may be used to conduct these investigations, it is preferable that external service providers, preferably academic institutions/practitioners, who are experts

in the area to be audited, should be used. Clear terms of reference will need to be adopted by the Executive Committee, should such a need for investigation arise.

**Audit Committee:** As indicated earlier the municipality will make use of the district committee via a service level agreement. This facility will be complemented by the internal audit function which shall have been made by extending the current terms of reference for the existing audit committee currently responsible for financial statements to also cater for auditing of PM reports at least twice per annum.

## **Performance Reviews**

Performance reviews must be conducted at various intervals and levels of authority in order to determine as to the progress made against committed performance targets. Every review session must be documented and evidence material filed in case it is called by senior level reviews or the audit committee. Prior to reviews taking place by the Management Team, Executive Committee and Council, performance reporting will need to be tracked and co-ordinated. The Performance Management coordinator is responsible for this process.

It will also be useful to provide an overall analysis of municipal performance with respect to the strategic scorecards and department scorecards, at least for quarterly and annual reviews. Such an analysis could pick up trends in performance over time and over all departments. It is proposed that the Performance Management Coordinator be responsible for this.

## **How should reviews be conducted?**

The following figure provides a guideline for setting-up a review process.

### **FIGURE 1: THE REVIEW PROCESS GUIDELINE**

The review process should involve the following guideline steps:

1. Prepare for the review
  - Set appointments and schedule interview sessions
  - Produce and circulate scorecard templates (FORMS)
  - Commission self appraisals
2. Conduct review interviews
3. Discuss and agree on improvement plan
4. Feedback review outcomes to those concerned

During the review, the reviewing person / committee or structure must ensure the following things happen:

- Confirm what is expected of employee / department being reviewed
- Encourage those reviewed to feel comfortable and create conducive atmosphere for discussing issues frankly and fairly
- Fairly and equitably measure performance of individual / department.
- Agree on the final determination of performance achieved
- Identify strengths and areas of improvement
- Give feedback in terms of the reward/ recognition of good performance / excellence or the steps to be taken to address poor performance
- Align individual performance behaviour with organizational performance goals (IDP vision)
- Incorporate lessons of the previous year's performance into the following year's performance (Learning curve) by jointly developing a Performance Improvement Plan with the manager concerned
- Agree on a performance improvement plan

If the review session is to lead to the determination of salary progressions and bonuses in the case of individual management reviews, then the following rules should apply:

- 1) Determination of final scores will be based on the scoring model which uses a rating scale of 1 – 5 combined with point system
- 2) The employee will be allowed during the review to provide evidence to his /her claims should this be necessary
- 3) An aggregate score should be determined after adding all KPA scores achieved in the review
- 4) The decision of the audit committee ON SCORES is final
- 5) A manager can only qualify for a bonus portion when he/ she has achieved a minimum of level 3 overall score
  - a. A score of 251 – 300 will qualify for 50% of bonus possible
  - b. A score of 301 – 350 will qualify for 60% of bonus possible
  - c. A score of 351 – 400 will qualify for 75% of bonus possible
  - d. A score of 401 – 450 will qualify for 90% of bonus possible
  - e. A score of 451 – 500 will qualify for 100% of bonus possible

## Suggested levels of reviews

**Section 57 Management Reviews:** It is intended that a review committee comprising of the municipal manager, a standing committee councilor of that department and an independent auditor who must be a member of the audit committee review their performance of a section 57 manager at least every second month, using his/her personal contract scorecard. Managers will be reviewed on their overall annual performance during the period 01 July and 30 July of every year to conclude the year ended 30 June and to determine salary progression moves and bonuses.

**Departmental Reviews:** It is intended that departments review their performance at least monthly, using their department scorecards and SDBIPs. Decision-makers should be immediately warned of any emerging failures to service delivery to ensure that they can intervene if necessary. It is important that departments use these reviews as a platform to reflect on their goals and programmes and whether these are being achieved. Minutes of these reviews should be forwarded to the performance management coordinator. Changes in indicators and targets may be proposed at this meeting but can only be approved by the relevant standing committee, in consultation with the Performance Management Coordinator.

**Management Team Reviews:** Departments have to report on their performance in the department scorecard format to the Municipal Manager and the Managers of departments every month. These reviews must also provide for section 57 managers to report on their individual scorecards to the municipal manager. In order to avoid duplication of reporting efforts the SDBIPs must also be reported at these platforms. Additional indicators that occur in the departmental scorecard & SDBIP should also be reviewed. The formulation of the process of review will be co-ordinated by the proposed performance management coordinator.

The Management Team will need to reflect on whether targets are being achieved, what are the reasons for targets not being achieved where applicable and corrective action that may be necessary. Where targets need to be changed, the Management Team can endorse these, for approval by the relevant standing Committee. The Management Team can delegate tasks to the performance management coordinator in developing an analysis of performance prior to Management Team reviews.

**Standing Committee Reviews:** Each Standing Committee is required to review the performance of their respective departments against their department scorecard every second month. The Standing Committee should appraise the performance targets. Where targets are not being met, the Standing Committee should ensure that the reasons for poor performance are satisfactory and sufficient, and the corrective strategies proposed are sufficient to address the reasons for poor performance. Changes in indicators and targets that do not appear in the strategic scorecard may be proposed to and can only be approved by the relevant Standing Committee, in consultation with the IDP Officer and Performance Management Coordinator (Strategic

Planning Manager). Changes in indicators and targets that fall within the strategic scorecard will need to be approved by the Exco / Council.

**Executive Committee Reviews:** On a quarterly basis, the Executive Committee is tasked to engage in an intensive review of municipal performance against both the department scorecards and the strategic scorecard, as reported by the Municipal Manager. This must also incorporate reviews based on SDBIPs in order to avoid duplication of reporting processes.

Many of the indicators in the strategic scorecard will only be measurable on an annual basis. The quarterly reviews should thus culminate in a comprehensive annual review of performance in terms of both scorecards.

The review should reflect on the performance of services and the strategic scorecard. The Executive Committee will need to ensure that targets committed to in the strategic scorecard are being met, where they are not, that satisfactory and sufficient reasons are provided and that the corrective action being proposed is sufficient to address the reasons for poor performance.

The review should also focus on reviewing the systematic compliance to the performance management system, by departments, Standing Committees and the Municipal Manager.

**Incentives for Excellent Performance:** It is the intention of the PMS framework that the Executive Committee not only pay attention to poor performance but also to good performance. It is expected of the Executive Committee to acknowledge good performance, where departments have successfully met targets in their department scorecards.

**Council Reviews:** At least annually, the Executive Committee is required to report to Council on municipal performance. This reporting takes place using the strategic scorecard in an annual report. The Municipal Systems Act requires that the annual report should at least constitute a performance report (the strategic scorecard), financial statements and an audit report.

**Public Reviews:** The Municipal Systems Act requires the public to be given the opportunity to review municipal performance. Therefore in addition to the annual report mentioned above, user-friendly citizens' report is intended to be produced as part of our PMS for public consumption. The citizens' report has not yet been produced at our municipality but it is envisaged to be a simple, easily readable and attractive document that translates the strategic scorecard for public consumption.

It is envisaged also that a public campaign shall be annually embarked on to involve citizens in the review of municipal performance. Such a campaign could involve the following methodologies:

- Ward committees would be reported to (once systems are developed fully) and submit their review of the municipality to council. The performance management team should be used to summarise this input.
- Various forms of media including radio, newspapers and billboards would be used to convey the citizens' report. The public should be invited to submit comment via telephone, fax, email and public hearings to be held in a variety of locations.

The public reviews are planned to be concluded by a review by the Integrated Development Plan Representative Forum or Mayoral Imbizos.

## **EVALUATION AND IMPROVEMENT OF THE MUNICIPAL PMS**

The Municipal Systems Act requires the Engcobo Local Municipality to annually evaluate its performance management system. At the end of the planning year cycle as part of the annual review of the municipality's IDP, the council must always evaluate:

- The adherence of the performance management system to the Municipal Systems Act.
- The fulfilment of the objectives for a performance management system captured earlier in this document.
- The adherence of the performance management system to the principles captured earlier in this and those subscribed to in terms of the Batho Pele white paper discussed under section 3 of this document.
- Opportunities for improvement and a proposed action plan for areas to be revised.

The process of implementing a performance management system in Engcobo LM is viewed as a learning process, where we are continuously improving the way the system works to fulfil the objectives of the system and address the emerging challenges from a constantly changing environment.

## **Performance Management Framework**

### **Working Definition**

Performance management is viewed as a continuous and cyclic process of evaluating our actions and operations to determine whether we are delivering the desired level of development committed in our IDP. It is envisaged as a process that will roll-out incrementally following the steps illustrated in the figure below:

## ANNEXURE B: AUDIT ACTION PLAN

ISSUES RAISED	PLAN OF ACTION	TIME FRAME	RESPONSIBLE OFFICIAL	PROGRESS TO DATE	COMMENTS
<p><b>4. <u>Restatement of comparative figures:</u></b></p> <p>As disclosed in note 40 to the financial statements, the comparative figures for 30 June 2012 have been restated as a result of errors only corrected during the year ended 30 June 2013 that existed in the financial statements at, and, for the year ended 30 June 2013.</p>	<p>All current year restatements will be effected on the system. All supporting documentation to be attached.</p>	<p><b>30/04/2014</b></p>	<p><b>CFO</b></p>	<p><b>0%</b></p>	<p>Not yet started.</p>
<p><b>5. <u>Unauthorised and irregular expenditure:</u></b></p> <p>As disclosed in note 43 and 45 to the financial statements, R60.4 million of unauthorised expenditure and R3.5 million of irregular expenditure respectively, was incurred during the financial year.</p>	<p><b><u>Unauthorised Expenditure:</u></b></p> <p>All non-cash items like depreciation and impairments to be budgeted for during the budget process period.</p>	<p><b><u>Unauthorised Expenditure:</u></b></p> <p><b>30 January 2014</b></p>	<p><b>CFO</b></p>	<p><b>100%</b></p>	<p>Adjustment budget finalised and submitted to the Provincial Treasury.</p>

	<p>Strict budget control measures implemented to ensure that no item / vote exceeds the budgeted amounts. Budgets to be monitored closely each month by the B.T.O. and the Accountant to control expenditure.</p> <p>The new MFMA circular 71 which contains the Treasury's Cost Containment Plan will be implemented fully to curb unnecessary expenditure.</p> <p>Meetings to be set-up monthly with Senior Managers to discuss their budgets.</p> <p>Monthly S71 budget reports to be submitted by the 10<sup>th</sup> of every month to the MM, Provincial Treasury and the Mayor.</p> <p><b><u>Irregular Expenditure:</u></b></p> <p>Irregular, fruitless and wasteful expenditure has been reduced significantly in the last 6 months and that is due:</p> <p>f) to improved controls implemented to</p>	<p><b>10 February 2014</b></p> <p><b>and on a monthly basis.</b></p>	<p><b>CFO / ACCOUNTANT / B.T.O. / ALL SENIOR MANAGERS</b></p>	<p><b>10%</b></p>	
	<p>f) to improved controls implemented to</p>	<p><b>Ongoing</b></p>	<p><b>ALL MUNICIPAL OFFICIALS</b></p>	<p><b>Reduced</b></p>	



	<p>eliminate such expenditure.</p> <p>g) Compliance with SCM laws and regulations.</p> <p>h) Ongoing training of user-departments and co-operation and buy-in from user departments.</p> <p>i) A register has been maintained which is reviewed regularly by the Accounting Officer and MPAC and officials are held accountable if after investigations it is established that they did not take the necessary steps to avoid such expenditure.</p> <p>j) Deviations are only accepted in terms of s36 of the MFMA.</p>				
<p><b>6. Material losses/impairments:</b></p> <p>As disclosed in note 29 to the financial statements the debt impairment amounted to R3.6 million for the year under review.</p>	<p>Controls have been implemented to reduce the levels of debt impairments. The debt collection policy is fully implemented.</p> <p>Security measures at the municipal offices has been upgraded in order to reduce theft of municipal assets.</p> <p>The municipality is about to appoint a new security company to improve security.</p> <p>Fencing around all municipal building will</p>	Ongoing	<p>CFO / ACCOUNTANT / REVENUE OFFICER / ASSETS CLERK</p> <p>CFO / TECHNICAL MANAGER</p> <p>31 January 2013</p>	Ongoing	None

	<p>be upgraded to prevent unauthorised access to municipal facilities.</p> <p>An asset / inventory count is now conducted on a quarterly basis to identify lost / stolen / damaged assets.</p>				
EMPHASIS OF MATTER PARAGRAPHS					
<p><b>6 <u>Usefulness of information – Presentation:</u></b></p> <p>Section 46 of the Municipal Systems Act, 2000 (Act No. 32 of 2000) requires disclosure in the annual performance report of measures taken to improve performance where planned targets are not achieved. Adequate and reliable corroborating evidence could not be provided for all measures taken to improve performance as disclosed in the annual performance report. The municipality's records did not permit the application of alternative audit procedures.</p>	<p>The municipality is currently emphasizing on the submission of Portfolio Of Evidence (POEs) by directorates on quarterly basis.</p> <p>The targets being designed in this financial year are being aligned and SMART</p>	On-going	IPED Manager	Midterm report	<p>Compilation and submission of quarterly reports were completed.</p> <p>Midterm report compiled, adopted and submitted to Treasury and LGTA on January 25, 2014</p> <p>Managers were evaluated on Midterm performance in April 2014</p>

<p><b>7 <u>Consistency:</u></b></p> <p>Section 41(c) of the MSA requires that the IDP should form the basis for the annual report, therefore requiring the consistency of objectives, indicators, and targets between planning and reporting documents. There were material inconsistencies planned and reported performance information and in-year changes to material indicators and targets that were not submitted for approval to council.</p>	<p>Indicators and targets have been aligned with the IDP objectives</p>	<p><b>August 2013</b></p>	<p><b>IPED Manager</b></p>	<p><b>SDBIP</b></p>	<p><b>In the process of alignment</b></p>
<p><b>8 <u>Measurability:</u></b></p> <p>The National Treasury FMPPi requires that it must be possible to validate the processes and systems that produce the indicator. A total of 35% (17 out of 48) of the indicators for Basic Service Delivery objectives were not verifiable in that valid processes and systems that produce the information on actual performance did not exist. This was due to a lack of proper review when indicators and targets were decided on and formulated for inclusion in the IDP.</p> <p>The National Treasury FMPPi requires that performance targets be measurable. The required performance could not be measured for a total of 35% relevant to Basic Service Delivery. This was due to a lack of proper review when indicators and targets were decided on and formulated for inclusion in the IDP.</p>	<p>Service Delivery Budget Implementation Plan (SDBIP) will be aligned</p>	<p><b>January 2014</b></p>	<p><b>IPED Manager</b></p>	<p><b>100%</b></p>	<p><b>In the process of developing a draft SDBIP</b></p>
<p><b>9 <u>Reliability of information:</u></b> <b><u>Validity and Accuracy - Reported performance not valid or accurate:</u></b></p> <p>The National Treasury FMPPi requires that processes and systems</p>	<p>POEs collected and filed</p>	<p><b>Quarterly</b></p>	<p><b>IPED Manager</b></p>	<p><b>0%</b></p>	<p><b>1<sup>st</sup> and 2<sup>nd</sup> quarter POEs collected and filed</b></p>

<p>which produce the indicator should be verifiable, and that the indicators be accurate enough for its intended use and respond to changes in the level of performance. A total of 100% of the actual reported performance relevant to Basic service were not valid and accurate when compared to the evidence provided. This was due to the limitation placed on the scope of my work owing to the absence of information system at the municipality for the collection of performance information against what is reported at year end.</p> <p>In addition, this was due to a lack of monitoring by senior management, an inadequate review process to verify all supporting evidence before the performance report was submitted for audit, as well as a lack of standard operating procedures that are in line with the requirements of the FMPPi for the recording of actual achievements. Furthermore this was due to lack of non-implementation of processes for collection of corroborating evidence.</p>					
<p><b>10 <u>Completeness - Reported performance not complete:</u></b></p> <p>The National Treasury FMPPi requires that documentation addressing the systems and processes for identifying, collecting, collating, verifying and storing information be properly maintained. The AGSA was unable to obtain all information considered necessary to his satisfaction as to the completeness of actual reported information.</p> <p>This was due to inadequate processes in existence for data</p>	<p>Collate, compile and submit reports per legislation</p>	<p><b>Quarterly; Midyear; Annually</b></p>	<p><b>IPED Manager</b></p>	<p><b>100%</b></p>	<p><b>Reports collated, compiled and submitted</b></p>

collection to support reported performance information. Therefore, source information for 100% of the actual reported performance relevant to Basic Service Delivery could not be substantiated with sufficient audit evidence.					
<b>COMPLIANCE WITH LAWS AND REGULATIONS</b>					
<b><u>Strategic planning and performance management:</u></b>  39. The performance management system of the municipality did not provide for the monitoring of performance and for the measuring and review of performance at least once per year, with no regard to each of the development priorities and objectives and against the key performance indicators and targets set as required by section 41 of the MSA.	An annual measurement and review was conducted for S56 Managers and the report was submitted to Council	September 2013	IPED	100%	An annual measurement and review was conducted for S56 Managers and the report was submitted to Council
40. The performance management system of the municipality did not provide for taking steps to improve performance with regard to those development priorities and objectives where performance targets are not met as required by section 41(1)(d) of the Municipal Systems Act.	The Municipality has a performance framework that was adopted in 2012	2012	IPED	100%	The Municipality has a performance framework that was adopted by Council
41. The audit committee did not review the municipality's performance management system and make recommendations to the council, as required by the municipal planning and performance management regulation 14(4)(a)(ii).	Audit Committee will review the Municipality's PMS and submit the recommendations to the Council every quarter.	Quarterly	Internal auditor/MM	On-going	1st and 2 <sup>nd</sup> quarter review completed
42. The audit committee did not review the quarterly internal audit reports on performance measurement, as required by Municipal planning and performance management regulation 14(4)(a)(i)	Audit Committee will review the Municipality's PMS and submit the recommendations to the Council every quarter.	Quarterly	Internal auditor/MM	On-going	1 <sup>st</sup> quarter done
43. The internal audit unit did not assess the extent to which the performance measurements	The 1 <sup>st</sup> quarter has been done and submitted for comments.	Quarterly	Internal auditor/MM	On-going	1 <sup>st</sup> quarter done

were reliable in measuring the performance of the municipality on key and general performance indicators, as required by municipal planning and performance management regulation 14(1)(b)(iii).					
44. The internal audit did not audit the performance measurements on a continuous basis and submitted quarterly reports on their audits to the municipal manager and the audit committee, as required by municipal planning and performance management regulation 14(1)(c).	The 1 <sup>st</sup> quarter has been done and submitted for comments.	Quarterly	Internal auditor/MM	On-going	1 <sup>st</sup> quarter done
45. The annual performance report for the previous financial year was not included in the annual report, as required by section 46 of the MSA and section 21(3)(c) of the MFMA.	Draft Annual report inclusive of annual performance report has been compiled and tabled before Council	January 25	IPED	On-going	Draft Annual report inclusive of annual performance report has been compiled and tabled before Council on January 25, 2014
46. The annual performance report for the year under review does not include the performance of each external provider as required by section 46(1) (a) of the MSA.	Annual performance report will include the performance of each external provider in the next review	August 31	IPED	On-going	N/A
47. The annual performance report for the year under review does not include a comparison with the previous year as required by section 46(1)(b) of the MSA.	Annual performance report will include a comparison with the previous performance	August 31	IPED	On-going	N/A
48. The annual performance report for the year under review does not include measures taken to improve performance, as required by section 46(1)(c) of the MSA	The draft annual report includes measures to improve performance	March 31	IPED	On-going	The final annual report includes measures to improve performance

49. The municipality did not conduct its affairs in a manner which was consistent with its integrated development plan as required by section 36 of the Municipal Systems Act and municipal planning and performance management regulation 6	The municipality has appointed the IDP champion	July 2013	MM/CFO	On-going	
<b><u>Budgets</u></b>  50. The municipality incurred expenditure in excess of the limits of the amounts provided for in the votes in the approved budget contravention of section 15 of the MFMA.	See response in unauthorised expenditure above.	See response in unauthorised expenditure above.	CFO / ACCOUNTANT / B.T.O. / ALL OTHER MANAGERS	See response in unauthorised expenditure above.	Adjustment budget finalised and submitted to the provincial treasury.  Template finalised and discussions to be held once the budget is fully loaded onto the system.
51. Monthly budget statements were not submitted to the mayor and the relevant provincial treasury on the within 10 days after each the end of each month, as required by section 71(1) and 81 (1) of the MFMA.	PROMUN will be closed by the 3 of every month in order to ensure that the B.T.O. runs the necessary S71 reports timeously. Copies of the submissions will be submitted to the MM and Mayor's offices.	Monthly	CFO / ACCOUNTANT / B.T.O.	January & February reports submitted timeously .	We have managed to close the system on the 3 <sup>rd</sup> in February. Submissions were made timesouly.
<b>Annual financial statements, performance and annual report:</b>  52. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the MFMA.	Prior to the AFS being submitted to the auditors, the AFS and accounting file will go through a stringent review process namely:  - AFS will be reconciled to the accounting file by management.  - AFS and accounting file will be reviewed by the Internal Auditors, Audit Committee and a	30 July 2014	CFO / ACCOUNTANT	N/A	To be finalised during the AFS preparation period.

	<p>competent official independent of the preparation process.</p> <p>- Disclosure checklist will be completed.</p>				
<p><b><u>Procurement and Contract management:</u></b></p> <p><b>53.</b> Goods and services with a transaction value below R200 000 were procured without obtaining the required price quotations as by SCM regulation 17(a) &amp; (c).</p>	<p>All threshold levels as required by the SCM policy to be strictly enforced as non-compliance will result in irregular expenditure. Any deviations must be in line with S36 of the MFMA only.</p>	Daily / Monthly	CFO / ACCOUNTANT / SCM OFFICER / ALL SENIOR MANAGERS AND MUNICIPAL OFFICIALS	<p>All efforts are made to ensure that 3 quotations are obtained. SCM policy is strictly enforced and unauthorised deviations are recorded in the register for irregular expenditure. However, where it is not practical to do so, a deviation letter is prepared where all the circumstances are explained and the expenditure is ratified by the MM. Deviations are avoided</p>	<p><b>Any deviations which are not authorised are reported to the MM and investigated further.</b></p> <p><b>Accountant still busy analysing the Jan &amp; Feb 2014 payment vouchers for irregular expenditure and s36 deviations.</b></p>



				by all means unless they are in accordance with S36 of the MFMA.	
54. Bid adjudication was not always done by committees which were composed in accordance with SCM regulation 29(2)	<b>The LED Manager has been appointed and now sits on the BAC.</b>	<b>31 December 2013</b>	<b>MUNICIPAL MANAGER / CFO</b>	BAC now fully complies with S29(2) of the regulations.	BAC fully compliant.
55. Sufficient appropriate audit evidence could not be obtained that bid specifications for procurement of goods and services through competitive bids were drafted in an unbiased manner that allowed all potential suppliers to offer their goods or services, as per required by SCM regulation 27(2)(a).	<b>Members of the bid specification committee appointed.</b>	<b>31 December 2013</b>	<b>MUNICIPAL MANAGER / CFO</b>	Bid specification committee appointed and now fully complies with S27(2) of the regulations.	Specifications committee not functioning as well as was intended. But all specifications are prepared in an unbiased manner so as not to prejudice any suppliers. MM signs off on all adverts and specifications.
56. Sufficient appropriate audit evidence could not be obtained that bid specifications were drafted by bid specification committees which were composed of one or more officials of the municipality as required by SCM regulation	<b>Members of the bid specification committee appointed.</b>	<b>31 December 2013</b>	<b>MUNICIPAL MANAGER / CFO</b>	Bid specification committee appointed and now	See comment above.

27(3)				fully complies with S27(2) of the regulations.	
57. Contracts and Quotations were awarded to bidders who did not submit declaration on whether they are employed by the state or connected to any person employed by the state, as required by SCM regulation 13(c)	Mini audit of the SCM unit to be conducted in order to ensure that all suppliers awarded quotations and contracts above R10 000 have signed declaration forms after year as at 31 December 2013.	31 January 2014	ACCOUNTANT / SCM OFFICER	Mini audit completed. All suppliers have signed.	MBD4 and MBD8 is now included in all our formal and informal tenders. So this risk is eliminated.
58. Awards were made to providers who are persons in service of other state institutions, in contravention of SCM regulations 44. Similar awards were identified in the prior year and no effective steps were taken to prevent or combat the abuse of the SCM process in accordance with SCM regulation 38(1).	All transactions above R10 000, suppliers are made to sign declaration forms. AGSA findings will be investigated and if proven to be valid all suppliers reported on will be called to report as this amounts to fraud. The municipality might remove them from the supplier database.	31 January 2014	ACCOUNTANT / SCM OFFICER	Ongoing	The municipality solely relies on the bidder's declaration. If found to be fraudulent, the bidder is removed from the database.
<b><u>Expenditure management:</u></b> 59. The accounting officer did not take effective steps to prevent unauthorized expenditure and irregular expenditure, as required by section 62(1)(d) of the MFMA.	See comment under unauthorised and irregular expenditure.	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure	See comment under unauthorised and irregular expenditure
60. An adequate management, accounting and information system was not in place <b><u>which</u></b> recognized expenditure when it was incurred, accounted for creditors and accounted for payments made as required by section 65(2)(b) of the MFMA.	Upon receipt all invoices are recorded in the invoices register and then date stamped. The date included in the accounting system is date on the stamp. Accountant to monitor recording of invoices closely.	Weekly / Monthly	EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT	Ongoing	Through daily monitoring, the process has improved remarkably.

<b><u>Revenue management</u></b>					
61. An adequate management, accounting and information system was not in place which recognized revenue when it was earned, accounted for debtors or accounted for receipts of revenue, as required by section 64(2)(e) of the MFMA.	The system will be strengthened by ensuring that receipts are recorded and reconciled on a weekly / monthly basis and that updates to the debtors account are also done on a weekly / monthly basis. The Accountant to increase monitoring by reviewing reconciliations.	Weekly / Monthly	EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT	Ongoing	System is in place.
62. Interest was not charged on all accounts in arrears as, required by section 64(2)(g) of the MFMA.	Processes are in progress to charge interest on long outstanding debtors. R-DATA has been engaged to ensure that this is up and running on our system.	31 March 2014	CFO	0%	None
<b><u>Conditional grants:</u></b>					
63. Sufficient audit evidence could not be obtained that unspent conditional grant funds were committed to identifiable projects or were approved by the National Treasury for retention as they were not surrendered to National Revenue Fund, as required by section 20(1) of the Division of Revenue Act.	All grant funded projects are committed on the system when a tender has been issued. The funds are also ring-fenced to ensure that they are only spent in accordance with the grant requirements.	Ongoing	CFO / B.T.O.	100%	Grant accounts are project based for ease of monitoring expenditure .
64. The municipality did not submit all project registration plan for projects to be implemented in 2013/14, to the provincial department of local government by 1 August 2012, as required by DoRA Grant Framework, (Gazette no 35399)	Projects submitted	1 August 2013	MM/Technical Manager/CFO	100%	None
65. The municipality did not submit its detailed project implementation plan for projects to be implemented in 2013/14 and 2014/15 financial years, to the national department (CoGTA) as required by DoRA Grant Framework, (Gazette no 35399).	To be done in the 2013/14 year of assessment.	31 March 2014	MM/CFO/Technical manager	0%	None
66. The municipality did not evaluate its performance in respect of programmes funded by the allocation and did not submit the evaluation to the transferring national officer as required by DoRA Grant	To be done in the 2013/14 year of assessment.	30 June 2014	CFO / ACCOUNTANT / B.T. O.	N/A	None

Framework, (Gazette no 35399)					
67. The municipality did not submit its signed activity plan in the prescribed format to the national department (CoGTA) as required by DoRA Grant Framework, (Gazette no 35399).	To be submitted for the 2014/15 year of assessment	31 March 2014	CFO / ACCOUNTANT / B.T. O.	N/A	None
68. The municipality did not submit its monthly expenditure reports within 10 days after the end of each month as required by DoRA Grant Framework, (Gazette no 35399).	Refer to comment on S71 reports	Monthly	CFO	Ongoing	None
<b><u>Asset Management:</u></b>  69. An effective system of internal control for assets, including an asset register, was not in place as required by section 63(2)(c) of the MFMA.	An asset and inventory count is now performed on a quarterly basis. The additions in the Fixed Asset Register are reconciled to the additions contained in the general ledger quarterly.	Quarterly	CFO / ACCOUNTANT / ASSETS CLERK	1 <sup>st</sup> quarter count and reconciliation done. Awaiting report from the assets clerk. 2 <sup>nd</sup> quarter asset and inventory counts will be finalised by the 31 <sup>st</sup> of January 2014.	There is no assets manager, which is a challenge.
<b><u>Liability Management</u></b>  70. A management, accounting and information system which adequately accounts for liabilities was not in place, as required by section 63(2)(a) of the MFMA.	A system is in place but requires constant monitoring.	Weekly / Monthly	EXPENDITURE CLERK / EXPENDITURE OFFICER / ACCOUNTANT	Ongoing	There are some challenges but the process will improve with more monitoring.
<b><u>Consequence Management:</u></b>  71. Unauthorized expenditure, irregular expenditure and fruitless and wasteful expenditure was not recovered from the liable person, as required by section 32(2) of the	It is still under investigation and the way forward will be determined once that process has been finalised.	31 March 2013	CFO / ACCOUNTANT	50%	None.

MFMA.					
<p><b><u>Leadership:</u></b></p> <p>72. The municipality has not implemented adequate review mechanisms to ensure that the report on predetermined objectives and the annual financial statements are reviewed for accuracy and completeness prior to submission for audit.</p>	<p>Process are in place to ensure that all performance information reports are submitted and reviewed properly by the MM.</p>	<p>Quarterly / Annually</p>	<p>MM / ALL SENIOR MANAGERS</p>	<p>Draft mid-year performance information reports have been reviewed by the MM.</p>	<p>None.</p>
<p><b><u>Financial and performance management:</u></b></p> <p>73. The municipality remains reliant on the use of consultants to perform financial administration and reporting functions that should be performed by the staff employed by the municipality.</p> <p>A poor control environment over financial reporting exists as manual reconciliations of accounting records and supporting schedules are required at year end as these controls are not performed on a regular and ongoing basis during the year.</p> <p>Lack of monitoring, supervision and controls not being implemented, has resulted in misstatements not being identified timeously.</p>	<p>The municipality has advertised and filled some positions so that less reliance can be placed on consultants.</p> <p>Reconciliations are to be done on a monthly basis by the interns and clerk. Their work is to be reviewed by the Expenditure Officer and Accountant for final approval by the CFO.</p> <p>Supervision and monitoring to be improved in order to eliminate errors.</p>	<p>Monthly</p>	<p>CFO / ACCOUNTANT / EXPENDITURE OFFICER / EXPENDITURE CLERK</p>	<p>Reconciliations for the 1<sup>st</sup> quarter have been finalised.</p>	<p>Infrastructure fixed asset register is a specialised field and will continue to require the assistance of a consultant in the future</p>
<p>74. The systems or processes for the preparation and reporting of performance against</p>	<p>The IPED manager has been appointed and will champion the reporting of performance</p>	<p>Quarterly</p>	<p>MM / IPED MANAGER / ALL SENIOR</p>	<p>On-going</p>	<p>None</p>

predetermined objectives are not adequate or sufficient.	information for the institution.		<b>MANAGERS</b>		
<b><u>Governance:</u></b>  <b>75.</b> The municipality has an audit committee and internal audit unit in place. However, insufficient action was taken by the governance structures within the municipality during the year under review to ensure that risks relating to the monitoring and reporting of financial information, compliance and performance objectives were addressed.	The Accounting Officer will monitor the risks relating to reporting of financial information.	<b>Quarterly</b>	<b>MM/Internal auditor</b>	<b>On-going</b>	None
<b>76.</b> The audit committee did not advise the Council and Accounting officer on matters relating to the adequacy, reliability and accuracy of financial reporting and information which has thus in a number of material misstatements identified through the audit process.	The Audit Committee will report to the Council quarterly	<b>Quarterly</b>		<b>On-going</b>	None

## Attachment

Risk Register

Indigent Register